CITY OF WHEATLAND

1992 HOUSING ELEMENT
of the Wheatland General Plan

Adopted by the Wheatland City Council September 21, 1992

WHEATLAND HOUSING ELEMENT
JUNE 1992
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Introduction

California state law mandates that each city's general plan include a housing element, updated every five years, which sets forth a five year program to provide for the housing needs of the community. The State Department of Housing and Community Development has established an update schedule and Wheatland is required to adopt its updated housing element by July 1, 1991. The city is also required by law to use the latest Sacramento Area Council of Governments (SACOG) projections in planning for future needs. In this housing element, the city is using the November 1990 SACOG Regional Allocation Plan which covers the seven year span from 1989 to 1996. Since three and one half years have already elapsed, the basic planning period remaining is actually only four years. This housing element updates and replaces the existing 1984 housing element.

The housing element is divided into four sections. Section I reviews the previous housing element and the city's progress in meeting the goals outlined in that element. Section II analyzes the housing needs of the community, looking specifically at population and employment trends, household characteristics and special needs households, housing stock and housing market characteristics, and projected housing needs over the course of the planning period. Section III examines the governmental and non-governmental constraints to housing development within the city. And Section IV puts forth a housing program and policies plan that addresses the specific needs of the community while considering and alleviating the constraints to housing development within the city.

Existing Conditions and Housing Needs

Over the past 20 years, the city of Wheatland has had a relatively slow growth rate, increasing by only 25% (1.25% per year). However, over the next five years, the city expects a dramatic increase in housing units, thus in population; over 500 units are currently in the planning stages. If all of these units are built as planned within the next five years, Wheatland's total housing units would increase by 74% (15% per year).

Housing costs have escalated substantially over the past six years. Average new home sales prices increased 86%--from $65,000-$70,000 in 1985 to $126,000-$130,000 in the first half of 1991. Compared to the typical incomes of Wheatland residents, the cost of housing is dramatically out of balance. A home mortgage over $69,000 would be unaffordable to a family earning the median county income ($29,400). Only those households earning well above moderate income (181% of median income) could afford to purchase a home at the existing sales price of $125,000

with a 10% down payment. A low income family (80% of median income; could afford a house priced below $55,000. Homeownership is not a probable option for low income households; and finding safe, affordable housing is a serious problem.

The city must ensure that adequate housing is available for all income groups by precluding barriers to those who are not normally provided for by the private industry. Low income and special needs households are usually unserved by the private housing market. In 1980, 40% percent of the households residing in Wheatland were low or very low income--with incomes below 80% of county median income or 50% of county median income, respectively. Also, there are a large number of elderly and female headed households in Wheatland, many of whom are below the poverty level. While the specific needs of low income and special needs groups are different, they are the same in that they both need relatively fixed, low rents.

An apartment rent survey conducted in 1987 revealed median rents ranging from $280 for one-bedroom units, $300 for two-bedrooms, and $400 for three bedroom units. Rental information reported in 1990 indicates that two-bedroom units were renting for $370 per month. These rents are within the affordability range for low and very low-income households. There are also two subsidized apartment complexes targeted to these groups, both of which have no vacancies and have established waiting lists. The study revealed a limited number of three-bedroom apartment units--which exacerbates the housing problems for large families who must rent higher priced single family homes or live in overcrowded conditions. While Wheatland has an adequate amount of vacant, developable land, the lack of land available for rental housing construction will constrain efforts to provide housing affordable to low income residents.

The 1984 SACOG Regional Housing Allocation plan quantified housing production goals for Wheatland. A review of building permits and tax assessor records revealed that the city has exceeded its total housing production goal in each income category. But if development proceeds as currently planned, the city may fall short of its fair share production of housing affordable to low and very low income households.

Wheatland's Plan to Provide a Balanced Housing Program

While private developers adequately provide higher end housing affordable to higher income households, they generally cannot provide housing affordable to lower income families without some type of subsidy. Both public and private financing sources are available to assist developers of low-income housing. These sources target both new construction of housing for rent and ownership, and rehabilitation of existing housing. The Mortgage Credit Certificate is one program which enables moderate income families to purchase existing and newly constructed homes which are not otherwise subsidized with public funds. Other programs, sponsored by the Farmers Home Administration, make funds available for targeted low-income groups such as farmworkers and elderly households.

The programs differ in whether they are available to both public and private developers. A few of the programs limit their funds to public agencies exclusively. Regardless of how the funds are distributed, the public sector has a vital role to play in encouraging the use of these funds by private developers through public outreach and through leveraging these other funding sources by committing local funds.

The city of Wheatland researched and analyzed a variety of mechanisms used by other local jurisdictions to maintain and further expand the supply of affordable housing. Wheatland has already enacted and utilized some of these programs, while others will be new to the city. Because of its limited staff size and budgetary constraints, the city has not taken advantage of many of these programs in the past. However, the city realizes that the planned increase of over 500 housing units within the next five to ten years dictates the need for a firm action plan to provide housing for all income levels. After determining which of these alternatives could be the most effective tools for use in Wheatland, the city chose the following mechanisms to implement a balanced housing program.

ACTIONS/STRATEGIES

- New Construction
    - Re-zoning
    - Density Bonus
    - Female Headed Households/Child Care
    - Senior Housing
    - Mortgage Credit Certificates
    - Waivers
    - Modified Development Standards
    - Inclusionary Zoning
    - Planned Unit Developments
    - Resources for Private Developers
        - Tax Credits
        - Affordable Housing Program

- Mortgage Credit Certificates
- FmHA 502 Loans
- Self-Help Housing
- FmHA Section 515/Rural Rental Housing

- Housing Rehabilitation/Energy Conservation

  - Community Development Block Grant
  - California Housing Rehabilitation Program for Owner-Occupied Housing
  - California Housing Rehabilitation Program for Renter-Occupied Housing
  - Supplemental Housing Rehabilitation and Conservation Programs
    - FmHA 502 Loans
    - FmHA 504 Loans and Grants
    - Weatherization Program

- Fair Housing Policy

- Action Plan: Annual Status Reports

June 26, 1992

I. INTRODUCTION

A. Review of Previous Element -- Quantified Objectives

The main goal of Wheatland's 1984 Housing Element was to promote the development of an adequate supply of safe and sanitary housing for all economic segments of the community, including new construction and rehabilitation. To obtain this goal, the city prepared quantified objectives to be completed by the end of the planning period. The plan called for the construction of 20 new units, rehabilitation/replacement of 65 units and rental assistance for 42 households. The city has met these objectives and in some instances has surpassed its goals.

1. New Construction

Wheatland's 1984 Housing Element projected a need for a net growth of 20 units by 1990. In 1984 there were 634 housing units and by 1990 the city's projected need was 654. The basic construction need was 37 units because SACOG projected a removal of 17 units during that same time period.

TABLE 1
SACOG REGIONAL HOUSING NEEDS ALLOCATION FOR WHEATLAND

Existing Units 1984	Needed Units 1996	Units Needed to Accommodate New Growth	Expected Removals 1984-90	Basic Need
634	654	20	17	37

Source: 1984 Wheatland Housing Element

Wheatland has surpassed its basic construction needs. During the seven-year planning period of 1984-1990, 107 units were built and four were demolished, a net gain of 103 units. The type of units built and the income group they provided for are of primary importance. The following table represents the total number of units built during the housing element planning period and estimates of the income groups provided for. Income levels served during the planning period are derived from sales prices, calculating affordability on basis of monthly principal and interest costs for 30 year mortgage at 11%.

TABLE 2
REGIONAL HOUSING NEEDS ALLOCATION
WHEATLAND, 1984 - 1990

Income Level	Basic Need	Percent	1984-90 Construction	% of Total Construction
Very Low	11	29.7%	24	22.4%
Low	8	21.6%	16	15.0%
Moderate	7	18.9%	28	26.2%
Above Moderate	11	29.7%	39	36.4%
Total	37	100.0%	107	100.0%

Source: City of Wheatland building permits 1984-90

Wheatland exceeded its SACOG fair share production goals for each income group, with a higher than anticipated level of construction in every income category. However, SACOG's recommended ratio of units built among the income groups was not met due to greater levels of construction of higher priced homes affordable to moderate and above moderate income groups. The percentage of housing built for low and very low income households was 37% during the 1984-90 period compared with SACOG's allocation that 51% of new construction should be affordable to those groups, a shortfall of 14%.

Of the 107 units built from 1984-1990, 41% were single-family, 15% four-plex, 22% apartments, and 21% mobile homes/manufactured homes.

Bear River Apartments, financed by the Farmers Home Administration, provides 24 units--6 one-bedrooms, 14 two-bedrooms, and 4 three-bedrooms--with rents affordable to low and very low income households. Rents are subsidized and fixed at 30% of the occupants' monthly income (which includes a utility allowance).

Four 4-plexes (16 rental units) were also built during this seven year planning period. Although these units were built with private funding and rents set at market rates, rents are actually quite reasonable and affordable to low and very low income households. Since these units are not subsidized, rents are dictated by market conditions and no representations of future affordability can be made.

The Housing Authority of Yuba County administers a county-wide Mortgage Credit Certificate Program, which is a program for first-time home buyers. Mortgage Credit Certificates (MCCs) are tax credits given to low and moderate income households to help them purchase a new or existing home. The MCC reduces the amount of federal income tax the household pays, thereby giving the household more available income to qualify for a mortgage loan and to make the monthly mortgage payments. Yuba County's $750,000 in MCC authority translates into approximately 57 MCCs based on an average mortgage of $65,000. Although the program is available county wide, to date no Wheatland residents have taken advantage of the program and only one certificate remains. The county plans to apply for additional certificates in the future.

2. Housing Rehabilitation

In 1984 the city projected that it would rehabilitate/replace 65 units by 1990. The city acted to meet this goal by applying for and receiving Community Development Block Grant (CDBG) funding in 1984 to rehabilitate 65 homes. Thirty-seven (37) were ultimately repaired for the benefit of low and very low income households. In 1989 the city applied for but was unsuccessful in its bid for additional CDBG funding for a housing rehabilitation program.

In early 1990 the city contracted with Rural California Housing Corporation to conduct a city-wide housing conditions survey, determine a target area, and prepare a CDBG application. In July 1990 the city was awarded CDBG funding to rehabilitate an additional 24 homes in a designated target area. Under this program, zero percent deferred payment loans are available to low and very low income homeowners to rehabilitate their homes. Owners of substandard rental property with low-income tenants are encouraged to participate through favorable financing terms--zero-interest deferred payment loans with 25% matching private funds. Rental property owners must also enter into a rent limitation agreement, keeping rents affordable to low and very low income tenants.

3. Rental Assistance

The Housing Authority of Yuba County administers the county-wide federally sponsored Section 8 Existing Housing Certificate and Voucher Rental Assistance Programs, which are available to very low-income households--families, elderly, handicapped and disabled. Under these programs, eight Wheatland families are currently receiving rent certificates or vouchers and an additional seven families are on the waiting list to receive assistance. The rental assistance programs have not received any new funding since 1989.

Due to budget constraints, the city's goal of assisting 42 additional renter households has not been met. Since 1984, approximately 22 households have been added to rental assistance programs, a shortfall of 48%. Most of these households reside in Bear River Apartments and receive either Farmers Home Rental Assistance subsidies or Section 8 vouchers/certificates. Few rental assisted households live in privately owned homes/cottages.

B. Meeting Action Program Goals

Wheatland has a small staff and limited resources and cannot provide the same services as can larger cities with a more diversified staff and adequate resources. To accomplish much of its housing needs, the city has hired consultants to perform activities that the city staff does not have the time nor the resources to do, i.e., building inspector, planner, engineer, attorney. Even with these limited resources, Wheatland has met most of its qualitative goals set forth in the 1984 Housing Element.

The city has met all of its qualitative goals concerning development costs, equal housing opportunities, housing rehabilitation, energy conservation, and public participation. The city has also met all of its suitable sites goals, including annexing additional lands for low and moderate income housing, and upgrading the sewage treatment plant to provide service for an additional 800 units.

The city did not, however, meet each goal concerning housing assistance programs. Under housing assistance programs, the city set a goal to apply for CDBG funds for site acquisition and development of affordable housing. While, the city did look at this activity as a possibility for a funding application, it was determined that housing rehabilitation was the most critical need and presented the most competitive application.

In preparing the updated housing element, the city reviewed its previous goals, objectives, policies and programs and incorporated those findings into the program section of this housing element. Since Wheatland was able to meet most of its goals, and since there is still a need to provide affordable housing opportunities, the city found that a program that addressed new construction and rehabilitation needs would be most beneficial to its residents. However, the city's serious lack of staff and resources limits the amount of effort that can be put forth. Therefore, the city has designed a program that helps to provide adequate affordable housing for low income households while at the same time presenting realistic goals for this very small city.

The city has found that working with local nonprofit housing organizations and the Yuba County Housing Authority was essential to meet its goals in affordable housing production and repair/maintenance. Thus, the goals of this housing element reflect those relationships and expand the roles of these organizations to include other affordable housing programs such as low income housing tax credits, California Housing Rehabilitation Program--Rental, Farmers Home Administration--Section 502/504, and Mortgage Credit Certificates.

The following is a list of the previous housing element's goals and the city's progress in meeting each goal.

1. Suitable Sites

Policy: Increase the amount of land suitable for residential development to meet long-term needs. This program was met through the following actions:

A. The city annexed additional land suitable for residential use--the mobile home park, which serves mostly low to moderate income households.

B. The city worked with a couple of homeowners in the demolition of substandard dwellings not worth rehabilitating. Results from the housing condition survey show that only five units within the city are dilapidated. The other substandard units are able to be rehabilitated and do not need to be demolished. Of the two units that were demolished during the planning period, one was destroyed by fire and the other was abandoned and boarded.

C. The city's zoning ordinance continues to allow residential and commercial uses on the same site where development could be conditioned to maintain an environment compatible to both.

D. The city maintained treatment and flow capacities of the water and sewer systems to accommodate the projected growth and even beyond what was projected. The sewage treatment plant was expanded to provide services for 800 additional units.

E. The city prepared a specific plan (including cost allocation) to address infrastructure growth through 1995. This plan has been very helpful to developers and city staff in processing development applications. The environmental review was completed for the entire specific plan area and does not need to be done for each proposed project, thus saving the developer and the city time and money.

2. Development Costs

Policy: Minimize city requirements which affect the costs of residential development.

A. The city conducted an informal survey of processing times and fees charged by nearby cities and found that Wheatland's fees and processing times are consistent with neighboring jurisdictions and do not pose a constraint to affordable housing development. This survey was done prior to the completion of the specific plan, and the new fees are reflected in that plan.

B. The city evaluated development costs associated with setback requirements, lot design criteria, parking standards and street improvement standards and found that the city's requirements are consistent with other jurisdictions and do not constrain affordable housing development. For example, the city requires a minimum lot size of 6,000 square feet for single family dwellings, which allows for seven units per acre. Rural California Housing Corporation, a nonprofit affordable housing developer, has found that they are able to build affordable self-help housing at this density.

3. Equal Housing Opportunities

Policy: Assure accessibility to available housing for all persons regardless of race, religion, sex, marital status, and ancestry, national origin, or color.

A. Since Wheatland has extremely limited staff and resources, the Yuba County Housing Authority has been designated to provide information, referrals and enforcement assistance regarding fair housing laws.

B. The city of Wheatland works with local nonprofit organizations (i.e., Rural California Housing Corporation) to keep abreast of current housing programs. The city seeks guidance from these organizations as necessary.

C. The city has encouraged construction and remodeling of housing units to accommodate access and movement by disabled residents. In fact, the city's current CDBG housing rehabilitation program provides funding to low income residents who wish to rehabilitate their homes in order to make them handicap-accessible.

4. Housing Assistance Programs

Policy: Assist in the development of adequate housing to meet the needs of low and moderate income households.

A. The city has not applied for CDBG funds for site acquisition and development of affordable housing or related facilities. Instead, the city decided that housing rehabilitation was the most critical need within the city and applied for CDBG funds for a housing rehabilitation program. During the planning period, the city applied for three CDBG grants for housing rehabilitation, two of which were funded.

B. The city did not apply for any state programs for housing development assistance. The city has determined that new housing development is not the highest priority within the city. Instead, it has concentrated its limited resources and directed staff to apply for state funding for housing rehabilitation programs.

5. Maintenance

Policy: Ensure maintenance of livable conditions in existing housing units.

A. The city has maintained its ongoing policy of responding to complaints about housing conditions on a case by case basis. If necessary, the city requires code compliance to correct any health and safety violations.

B. The city considered a program of periodic inspections of multi-family units and care homes. However, the city's limited staff and resources does not allow for this type of program. In fact, the city's building inspector is a consultant, not a full time staff member. Thus, the city inspector works on an as-needed basis.

C. The city has applied for and received CDBG funds for housing rehabilitation. The city received CDBG funding in 1984 and rehabilitated 37 homes. And in 1990 the city received CDBG funding to rehabilitate an additional 24 homes. This program is currently being implemented; seven homes have been rehabilitated to date and three more are pending loan approval.

D. The city has looked into applying for California Housing Rehabilitation Program, Owner-Occupied (CHRP-O) funds but has deemed that those funds are not necessary at this time. The city has just recently begun its 1990 CDBG program and has decided to wait to apply for any further housing rehabilitation funding.

6. Energy Conservation

Policy: Minimize consumption of energy and expenditures for utilities in residential development.

A. The city has continued to support energy conservation programs. In fact, the CDBG program has leveraged funds from the local weatherization provider (Rural Opportunities Resource Center, Inc. - RORC) to bring homes up to current utility company conservation standards.

B. The city has enforced applicable state and code requirements on energy efficient measures (i.e., insulation and windows). For example, in implementing its current CDBG housing rehabilitation program, the city requires that energy efficient measures be installed into each house that does not meet these standards. Money is provided for these upgrades through the RORC grants or through CDBG loans.

C. The city continues to encourage development of housing with shared walls, small units and high densities. During the planning period, several four-plexes were constructed along with a 24-unit affordable housing apartment complex.

D. The city evaluates subdivision design standards and modifies wherever necessary to require adequate solar access, natural heating and tree shading and to minimize pavement and street lighting. The specific plan calls for drought resistant landscape and shade trees to help conserve energy and water.

7. Participation

Policy: Seek public participation of all economic segments of the community in the development, adoption, revision and management of the city's housing-related activities.

A. The city continues to distribute drafts of the housing element, program applications and other housing-related materials to agencies and groups involved with low income persons, housing development, the disabled and other people with special housing needs.

B. The city has continued to notify the above groups of public meetings on housing-related activities.

C. Public Participation

Housing Element law stipulates that the public shall have an opportunity to participate in the planning and development of the housing element. To achieve this end, the city has contacted many public agencies and persons who represent the various income groups and has asked for their input into the housing element. Each of these agencies and persons (listed in Appendix A) received a notice of public hearing for the housing element in addition to the public notice placed in the local newspaper. Additionally, the city held public hearings before the Wheatland Planning Commission and City Council.

D. Consistency with the General Plan

This housing element has been reviewed by the city's Planning Director and found to be consistent with other general plan elements.

II. HOUSING NEEDS ANALYSIS

In order to determine the city's housing needs, it is important to understand the characteristics of existing households and the population and employment trends that affect future housing demand. This section discusses the characteristics of the population (age and ethnicity), of special needs households, and of the housing stock and housing market.

A. Population and Employment

1. Population Trends

Historic Trends. Compared to the state, the city of Wheatland has been growing at a relatively slow rate since 1970. Between the three federal census years of 1970, 1980 and 1990, Wheatland's population grew from 1,280 to 1,631, an increase of 27% (351 people). During the same period, the state of California had grown by 49%. Wheatland's annual growth rate from 1970 to 1980 was 1.52% per year. Since 1980, however, the growth rate has tapered off to 1.06% per year.

TABLE 3
HISTORIC POPULATION TRENDS

Year	Population	% Total Increase	% Annual Increase
1970	1,280		
1980	1,474	15.2%	1.42%
1990	1,631	10.6%	1.02%

Source: U.S. Census

TABLE 4
RECENT POPULATION TRENDS COMPARED TO OTHER AREAS

Jurisdiction	1980	1990	Change
Wheatland	**1,474**	**1,631**	**10.6%**
Beale AFB	6,329	6,921	9.3%
Linda	10,225	13,033	27.2%
Marysville	9,898	12,324	24.5%
Olivehurst	8,929	9,738	9.1%
Yuba County	49,733	58,228	17.1%
State of California	23,667,902	29,760,021	25.7%

Source: U.S. Census

Projections. Wheatland's slow growth rate is expected to increase over the next five years due to overall population growth in the area. The greater Sacramento-Placer-Sutter County areas, particularly the Sacramento and Placer component, have experienced explosive growth since 1980--a growth pattern that is likely to continue over the next years and to spill over into Yuba County. SACOG baseline projections for the next 20 years indicate a population growth rate of 31%, an annual increase of 1.53%.

TABLE 5
WHEATLAND POPULATION PROJECTIONS

Year	Projected Population	% Total Increase	% Annual Increase
1990	1,915		
1995	2,128	11.1%	2.13%
2000	2,236	5.1%	1.00%
2005	2,350	5.1%	1.00%
2010	2,500	6.4%	1.25%

Source: SACOG "Draft" Baseline Projections, 1991

The above table represents SACOG population projections. However, these projections are based on a 1990 population of 1,915 which is now known to be high. The actual population in 1990, according to the U.S. Census is 1,613. Still, the table is

useful in that it indicates the projected annual increases for the city.

The following table represents population projections using the actual population figures from the 1990 U.S. Census and assuming the same annual increases.

TABLE 6
WHEATLAND POPULATION PROJECTIONS

Year	Projected Population	% Total Increase	% Annual Increase
1990	1,613		
1995	1,790	11.1%	2.13%
2000	1,881	5.1%	1.00%
2005	1,977	5.1%	1.00%
2010	2,104	6.4%	1.25%

Source: Based on population data from 1990 U.S. Census and SACOG "Draft" Baseline Projections, 1991

2. Employment Trends

In 1980 Wheatland had a labor force of 656 out of a total population of 1,474, which equates to 44.5% of the population. The unemployment rate in 1980 was 10.9% There are no current labor force statistics available for the city of Wheatland. However, Yuba County's average unemployment rate for 1990 was 10%, which is nearly double the state average of 5.6%.

According to the 1980 U.S. Census, most working Wheatland residents were employed in retail trades (21%) and education (16%), with agriculture and public administration second at about 12% each. Within these industries, most occupations held were administrative/clerical (17%), service (17%), precision production and repair (10%), and professional (10%). Farming also employed about 10% of the work force directly.

For those reporting a place of work in 1980, approximately 32% worked within the city. The rest of the employed commuted outside of Wheatland for their livelihoods.

Activity and employment at Beale Air Force Base, as well as a possibility of light industry entering the vicinity, will directly affect Wheatland's future rates of population growth. For example, Settler's Village, a new subdivision now undergoing construction in the city, has a waiting list of 138 families; approximately half are Beale employees.

B. Characteristics of Wheatland's Population

1. Age of Population

The median age in Wheatland is 27.3, two years younger than the State average. Compared to the State, Wheatland has a larger percentage of children under age 18 and a smaller percentage of people 18-64 and seniors.

TABLE 7
AGE DISTRIBUTION

	Wheatland		California
Age Group	Population	% of Population	% of Population
Under 18	482	32.7%	27%
18-64	881	59.8%	63%
65+	111	7.5%	10%

Source: 1980 U.S. Census

2. Ethnicity

Preliminary data from the 1990 U.S. Census show that while the State of California has headed toward an even ratio of whites and minorities, the City of Wheatland has remained virtually the same throughout the 1980s. The percentage of minority population in the city has increased by only 2%. Within the minority population, the number of black persons has decreased by 50% while the number of Asians has nearly doubled.

Meanwhile, the total white population in California has dropped to 57%, mainly because of a steady influx of Hispanic and Asian immigrants and increased minority birthrates in more recent years. Wheatland's percentage of minority population is significantly lower than the State average--26% less than the State average of 43%. In fact, Wheatland's percentage of minority population is also less than Yuba County's average of 26% minority.

TABLE 8
ETHNIC POPULATION

Race	1980[1] % of Population	1980[1] Population	1990[2] % of Population	1990[2] Population
White	1,225	83.1%	1,321	81.0%
Hispanic	178	12.1%	211	12.9%
Black	23	1.6%	12	0.7%
Asian	36	2.4%	68	4.2%
Other	12	0.8%	19	1.2%

Source: [1]1980 U.S. Census
[2]1990 U.S. Census (Preliminary Data)

C. Household Characteristics/Special Needs Households

1. Size and Number of Households

According to the Department of Finance 1990 estimates, the city of Wheatland had an estimated 1,915 people in 686 occupied housing units (705 total housing units) for an average household size of 2.79 persons per household. The 1990 preliminary census data, on the other hand, reports that 1,631 people live in the city and identifies 679 total housing units. Because this preliminary census information does not indicate vacancy rate, the city cannot accurately determine average household size from 1990 census figures.

TABLE 9
SIZE AND NUMBER OF HOUSEHOLDS

	1980[1]	1984[2]	1990[2]	1990[3]
Households	530	601	686	679
Population	1,474	1,619	1,915	1,631
Average HH Size	2.78	2.69	2.79	not available

Source: [1]1980 U.S. Census
[2]Department of Finance Estimates
[3]1990 U.S. Census (Preliminary Data Report)

The total number of households has increased over a ten year period--from 530 households in 1980 to 679 households in 1990--an increase of 149 households. The average household size has fluctuated slightly over the ten year span since 1980 but is virtually the same in 1990 as it was in 1980.

2. Elderly Households

The 1980 U.S. Census indicates that 7.5% of the city's population were 65 years or older; of the 530 occupied households residing in the city at that time, 17% (92 households) had at least one member aged 65 and above. Of those 92 households, 84 households were headed by a person 65 years or older. To update the 1980 census, the city aged the population group of persons over 55 years. By aging the cohorts--adding the number of people who in 1980 were 55 and over (thus who in 1990 are 65 and over)--and assuming that no other conditions changed during those ten years, the total number of people who are elderly in 1990 would be 312 (21%).

Corresponding to this projected figure, data collected by the Social Security Administration provides an additional measure of the number of elderly persons in Wheatland. Social Security tabulations indicate that in December of 1988, 344 people (21% of the population) aged 65 and above received "Earned Right" payments. Additional data indicates that 38 persons received benefits under the Supplemental Security Income program (a program based on need), but the data does not show how many people are receiving benefits under both programs and thus would have already been counted in the "Earned Right" numbers. Unfortunately, the Social Security Administration data does not provide the number of elderly persons who do not receive Social Security benefits. But from the census projections and the Social Security Administration data, we can conclude that at least 21% of the population in Wheatland are elderly.

The following table shows the tenure of Wheatland's elderly households. Most of the elderly householders in 1980 were homeowners (77%), which generally ensures that their housing costs will not rise.

TABLE 10
WHEATLAND ELDERLY HOUSEHOLDS
Households with 1 or More Persons Aged 65+

	Owner	Renter	Total
Head of Household 65+	65	19	84
Not Head of Household (but at least one person 65+ living in household)	7	1	8
City Total	72	20	92

Source: 1980 U.S. Census (Summary Tape File One, page 2)

The 23% of elderly householders who rent are of particular concern since their housing costs are not fixed. This circumstance is underscored by the fact that 22.3% of all elderly households are below the poverty level and 11.7% are between 100% and 124% of poverty level (1980 U.S. Census, Summary Tape File 3A). This special population group needs relatively fixed low rents in units that are small in size and do not require a great deal of maintenance. Living situations where neighbors can watch out for elderly tenants and ground floor or handicapped accessible units are most beneficial. Granny flats, subsidized rental housing, and mobile home parks all fit this category.

The city has partially met this need with the two subsidized rental housing developments within the city limits (both funded by Farmers Home Administration). Built 11 years ago, Donner Trail Manor provides 44 units--six 2-bedroom units and 38 one-bedroom units. To be eligible to live in these apartments, the resident must be low- or very low-income and be either handicapped or elderly. Currently there are no vacant units and most of the units (40 units) are occupied by very low-income elderly persons. Built just this year, Bear River Apartments provides another 24 units of FmHA-funded rental housing. This project, however, caters more to very low-income families. It does have six one-bedroom units which are available for elderly very low-income residents. Currently no elderly people live in this complex, but there are a few elderly persons on the waiting list which consists of 20 to 30 people total. Both of these complexes provide a fixed rent at 30% of the occupants' monthly income (which includes a utility allowance).

Enjoying fixed housing payments, elderly homeowners do not have the same housing needs as elderly renters. However, these elderly homeowners are often unable to maintain their homes due to high rehabilitation costs or immobility. Some live in homes that are too big to maintain or unsuitable for their changing needs. Shared living arrangements or the construction of granny units can create opportunities for rental income as well as caretaking assistance for elderly homeowners. In addition, the provision of alternative living arrangements such as mobile home parks (one exists in the city limits) enables elderly residents to sell or rent their homes and move to a more suitable living situation without leaving Wheatland. The city should encourage these alternative forms of housing.

3. Female Headed Families

The number of families headed by women implies the need for child care, recreation programs, and other social services; 87 or 22% of the city's families are headed by females and over half (55%) of these families are living below the poverty level. This percentage of female headed households living below the poverty level is an extraordinarily high number in that only 17% of all families in Wheatland had income below the poverty level in 1979.

TABLE 11
FEMALE HEADED FAMILIES

Category	Above Poverty Level	Below Poverty Level	Total	Below Poverty As % of Total Female Families
W/Children Under 18	28	47	75	54%
W/O Children Under 18	11	1	12	1%
Total	39	48	87	55%

Source: 1980 U.S. Census (STF3)

While there are no city-funded programs that serve this population, a number of county resources either directly or indirectly assist female-headed households. Yuba County Housing Authority administers a Section 8 rental assistance program in which half of the Wheatland recipients are female headed households. Currently, there are 300 people on the countywide waiting list for additional vouchers (an approximate two year wait); seven of these families reside in Wheatland.

In addition, the Children's Home Society of Yuba City, a non-profit child care referral service for low-income families,

provides an alternative payment program for parents who are either looking for work, in school or working. Under this program, the Society pays for child care services through a licensed child care provider. Unfortunately, the State funding for this program has been reduced and there is a lengthy waiting list (10 months to one year) at this time.

Also, the Placer Community Action Council runs a Head Start Program which provides services for low-income Wheatland families. The Homebase Program serves three-year old children in the Wheatland area. Outreach workers visit the homes directly to provide support and training to childcare providers and coordinate health and referral services. There are four Wheatland families now being served and no waiting list. There is also preschool classroom for four-year old children in nearby Lincoln which currently serves 40 children with only one family from Wheatland. The two classes run half a day each, one in the morning the other in the afternoon. An established waiting list for the Lincoln school has approximately five Wheatland children waiting to enroll.

Low fixed rents, income assistance, and affordable child care--all are the special needs of low income female-headed households. To best meet these needs, the city can make the effort to meet its fair share housing allocation, encourage the creation of affordable family day care centers, and help publicize the existing resources.

4. Handicapped Persons

The number of handicapped persons in a city correlates with the need for certain social services and specialized handicapped access facilities. In 1980 the U.S. Census identified 121 persons with work disabilities and 28 with transportation disabilities. There were no persons living in institutions or group quarters.

TABLE 12
HANDICAPPED/DISABLED PERSONS IN WHEATLAND

Type of Disability	Number	Wheatland Percent	State Percent
Work	121	8.2%	8.4%
Prevented from working	58	3.9%	4.3%
Transportation	28	1.8%	
Ages 16-64	12	.8%	1.72%
Ages 65+	16	1.0%	14.4%

Source: 1980 U.S. Census

December 1988 data from the Social Security Administration indicates that 94 people in Wheatland received Supplemental Security Income (SSI) benefits, 38 of which were over 65 years old. Elderly and disabled persons are eligible to receive SSI benefits based on income. Under the criteria of the SSI program, the total monthly income of the recipient cannot exceed $630. Also, 492 persons received "Earned Rights" benefits from Social Security, of which 344 were over 65 years. Data does not indicate, however, the number of people who are over 65 years and also handicapped or disabled. Neither data source indicates the total number of people--whether or not they are receiving "Earned Rights" payments and SSI.

Housing for low-income disabled/handicapped persons is available in Wheatland. The Bear River Apartments has one apartment designed solely for handicapped accessibility and is available only for handicapped persons. Additionally, each of the ground floor units is designed so that they may be converted to handicapped units, if need be. Donner Trail Manor has four units occupied by handicapped households.

The City of Wheatland does not provide any direct services to handicapped or disabled persons, but services are available from Yuba County and private non-profit services providers. The Yuba County Welfare Department administers the In-Home Supportive Services which also operates in the Wheatland area. This program provides supportive services to aged, blind, or disable persons who are unable to perform the services themselves and who cannot safely remain in their homes unless such services are provided. These services consist of domestic type activities such as cleaning, cooking, shopping, and transportation to medical appointments. Currently 23 households in Wheatland are benefiting from this program. To be eligible for the program, the recipient must receive or be eligible to receive Supplemental Security Income or State Supplemental Program benefits (SSI/SSP). For those people who are not eligible for the In-Home Supportive Services program, the Bi-County Volunteer Action Program, a private non-profit organization located in Yuba City, offers the same basic services for a nominal fee which is calculated on a sliding scale according to the recipients' income.

5. Large Households

Large households are defined by the State Department of Housing and Community Development as households having five or more persons. In 1980, Wheatland had 54 large households representing 10.2% of the city's households. The number of large households in the city has a bearing on the need for larger housing units. The average household size in Wheatland is 2.79 persons per household, which is roughly equivalent to the State average.

TABLE 13
LARGE HOUSEHOLDS

	Renter	Owner	Total
Households with 5+ persons	13	41	54
Housing Units w/3 bedrooms	20	191	211
Housing Units w/4+ bedrooms	10	49	59

Source: 1980 U.S. Census (STF1)

The majority (76%) of the large households were owners. There were 13 large households who were renters (representing 6% of all renter households). By comparison, there were 10 renter-occupied and 49 owner-occupied units having four or more bedrooms. Due to this low number of four-bedroom rental units, large renter households have a much more difficult time finding large units to accommodate them. Because none of the conventional apartment units contains more than three bedrooms (and many do not even contain three-bedroom units), it can be assumed that many large households that rent are living in single-family units and are probably paying higher rents.

Wheatland has met a portion of the housing needs for large families. The Bear River Apartments provides four 3-bedroom units for low and very low-income families. However, there is still a need for additional three-bedroom units and there are no subsidized four-bedroom units. The Yuba County Housing Authority reports that there are very few rental assistance vouchers available for four-bedroom units throughout the county and none in Wheatland.

The city needs to continue to encourage the development of affordable family-sized homes--both rental and owner. A variety of federal and state programs, city initiatives, and private developer incentives need to be exercised to create the necessary housing. These programs will be discussed further in the Policies and Implementation Programs section.

6. Homeless Persons

Housing element law requires an analysis of the special housing needs of persons and families in need of emergency shelter and the identification of adequate sites to facilitate the development of emergency shelters and transitional housing. To meet this requirement, the city conducted an extensive survey of local service providers throughout the area. Results of this survey are somewhat inconclusive as to the exact number of

homeless persons living in the city, but do provide an estimate of the needs of this population. Basically, Wheatland is a small town with very few services and retail establishments. Most of Yuba County's homeless population reside in the larger urban areas such as Marysville, where services are more readily available.

The survey determined that the homeless population in Wheatland is virtually non-existent. Most of the emergency shelters and service providers in the area were able to provide only county-wide data, not specific to the city. Thus, the city does not know the average daily number of homeless people in the city and whether or not they are living on the streets, in emergency shelters, or in transitional housing.

For those providers who could narrow down the residency of the homeless population it served, most did not serve any Wheatland residents nor did they know of any homeless Wheatland residents. The city was able to identify only one homeless family at the present time. For two months, this family lived at The Depot, a family emergency shelter in nearby Marysville, and is currently living in transitional housing, receiving motel vouchers. Wheatland police officers did not note any persons living on the streets; and a search of police records did not locate any arrests for transient related activities in the past year.

For the most part, the needs for homeless persons are met outside the city in nearby Marysville and Yuba City. There are several emergency shelters within the bi-county area. The Depot, Twin Cities Rescue Mission, Casa de Esperanza, and Mid-Valley Assistance--each provides services for different segments of the homeless population, whether they be families, single men, battered women, or mentally ill. Additional services are also provided by the Christian Assistance Network, the Salvation Army, and the Yuba County Social Services Homeless Assistance Program.

The Christian Assistance Network is a referral network of local churches servicing Yuba and Sutter counties. If a family needs assistance, they go to their local church and if the church is unable to help the family, it will then contact the Network for assistance. The Network assists families in emergency-type situations, such as providing one month's rental assistance and food.

The Salvation Army provides material and financial assistance to Sutter and Yuba families in emergency situations. Under this program approximately five Wheatland families per month receive food basket services. This agency also provides budgeting assistance, motel vouchers for families with children and not receiving AFDC, and first month's rent.

The Homeless Assistance Program provides monetary assistance to homeless AFDC recipients or eligible recipients. Under this program, families with children are eligible to receive 21 days of motel vouchers. When a family locates a place to rent but cannot afford the move-in expenses, the county will pay the last month's rent, deposit and utility deposit. Unfortunately, funding for this State-funded program has been threatened to be reduced or eliminated through State budget cuts.

Since Wheatland has not had a homeless population and is a very small town, it does not have the means to set up shelters on its own. But the city has taken the first step to aid the homeless population by designating a site for an emergency shelter and/or transitional housing. Through the city's adopted zoning ordinance, a shelter can be conditionally permitted on any land zoned R-3. A conditional use permit is subject to limited discretionary approval with conditions that are no more restrictive than those of similar uses.

7. Farmworkers

In 1980, 11% of the population in Wheatland were employed in the industries of agriculture, forestry, fisheries, and mining. However, according to the County Agricultural Commissioner's office, farm labor employment in the immediate Wheatland vicinity has been decreasing in magnitude. Most crops grown in the Wheatland area are not labor intensive. Almonds, walnuts, peaches and prunes require hand labor during harvest season only. Picking crews work on several farms in the area from July through August. Only one to two workers are employed year round on these farms. The low numbers of farm laborers employed in Wheatland's immediate surroundings are mostly year-round residents.

Wheatland has one grower within the immediate area that provides housing to its workers. Sunrise Orchard, which is actually located a few miles outside the city limits, provides dormitory style housing for approximately 10 to 15 male migrant workers during the harvest season.

Outside the city, the Sutter County Housing Authority provides 170 year round units for farmworker families in Yuba City. Also in Yuba City, the California Human Development Corporation (CHDC), a private non-profit organization, provides 52 year round units for seasonal farmworker families and plans to build an additional 46 units. The housing authority and the CHDC also provide additional support services to farmworker families.

D. Wheatland's Housing Stock and Housing Market Characteristics

1. Existing Housing Stock

The 1990 U.S. Census determined that 679 housing units exist within the city of Wheatland. The State Department of Finance, on the other hand, estimated a total of 705 housing units within the city. These DOF estimates are fairly consistent with a housing conditions survey conducted by Rural California Housing Corporation in 1990. The survey determined not only the condition of the housing stock, but also the total number of residential units by type of unit. The majority of the units are single-family dwellings and a significant number of units are duplexes. Most of these duplexes are part of the Meadows subdivision (discussed in Section III of this Housing Element) located at the northern most part of the city; and most of these units are vacant.

TABLE 14
TYPES OF HOUSING UNITS IN WHEATLAND
(Includes Vacant)

	Total Units	% of Units
Single-Family	468	65%
Duplex	121	17%
Tri-Plex	18	2%
Four-Plex	20	3%
Apartments (5+ Units)	53	7%
Mobile Homes	40	6%
Total	720	100%

Source: Rural California Housing Corporation Housing Condition Survey, 1990

The type of housing unit in Wheatland has changed somewhat since 1980. In 1980, Wheatland had 565 housing units and in 1990 had 720, an increase of 27%. According to the 1980 U.S. Census, 71% of Wheatland's housing units were single-family dwellings as compared to only 65% today. Also, in 1980 there were no mobile homes and only 4% apartment units (five or more units). Today mobile homes represent 6% of the housing stock and apartment units 7% for a total of 93 units. These two affordable housing types represent 45% of the housing unit development between 1980 and 1990.

2. Tenure

According to 1980 U.S. Census data, 59% of Wheatland's households were owners and 41% were renters. Yuba County's renter/owner mix differed slightly from Wheatland's--the county having a higher percentage of renter households.

TABLE 15
RENTER/OWNER MIX (OCCUPIED HOUSING UNITS)

	Wheatland	Percent	Yuba County	Percent
Rental	217	41%	7,980	46%
Owner	313	59%	9,524	54%
Total Occupied	530	100%	17,504	100%

Source: 1980 U.S. Census

3. Housing Costs

In 1980, the median gross rent in Wheatland was $217 and the median mortgage payment was $257. Translated to 1987 dollars, the median rent was $296 and the median mortgage was $351. Median rents in Yuba County were somewhat lower than Wheatland's rents in 1980. However, mortgage payments in Yuba County were considerably higher than Wheatland's.

TABLE 16
MONTHLY HOUSING COSTS

	1979*	1987**
Median Gross Rent	$217	$296
Median Mortgage Payment	$257	$351

Source: *1980 U.S. Census
**1980 U.S. Census--translated into 1987 dollars

A market study of rental units was conducted in the Wheatland area in 1987 which validates the above data. The survey included 157 rental units in single-family and multi-family structures.

TABLE 17
RENTAL HOUSING SURVEY

Unit Type	# of Units	Average Rent	Median Rent
Studio	11	$230	
One-bedroom	46	$268	$280
Two-bedroom	94	$294	$300
Three-bedroom	5	$400	$400
Four-bedroom	1	$625	$625

Source: Lauren & Associates, 1987

Rental information reported in 1990 indicates that two-bedroom units were renting for $370 per month. According to local real estate agents, existing houses are selling for $85,000+. For example, a three-bedroom, two-bath home with 1,200 square feet of living space is currently selling for $85,000-$90,000. Newer homes are listed at a higher price range. For the same three-bedroom, two-bath, 1,200 square foot new home the prices range from $126,000-$130,000. Settler's Village, a new subdivision which is due to begin construction shortly, has prices ranging from $111,000 to $134,000.

4. Household Income

The most recent household income information is derived from the 1980 U.S. Census, which reports that the median household income was $12,649, slightly higher than the county median income and significantly lower than the state's median income. Adjusted for 1987 dollars (using a 1.36 multiplier), Wheatland's median income was $17,279, an amount which represents only 65% of the state's median income.

TABLE 18
MEDIAN INCOMES

	1979[1]	1987[2]
Wheatland Median Household Income	$12,649	$17,279
Yuba County Median Household Income	$12,032	$16,436
California Median Household Income	$18,170	$26,347
Wheatland Median Family Income	$13,958	$19,066
Yuba County Median Family Income	$13,751	$18,784
California Median Family Income	$21,749	$26,347

Source: [1]1980 U.S. Census

[2]Updated to 1987 dollars (based on 1.366 multiplier for Wheatland/Yuba County and 1.45 multiplier for California)

The state Department of Housing and Community Development publishes an annual list of median incomes for each county (based on HUD data). The state recognizes four income groups--very low, low, moderate and above moderate--based on the following percentages:

Very Low Income	Less than 50% of Median Income
Low Income	51% - 80% of Median Income
Moderate Income	81% - 120% of Median Income
Above Moderate Income	Greater than 120% of Median Income

In 1980, 40% of Wheatland's households were in the low, very low-income category and an additional 20% were moderate.

TABLE 19
WHEATLAND 1980 HOUSEHOLD INCOMES

	# of Households	% of Households
Very Low Income < $6,016	113	22%
Low Income $6,017 - $9,626	92	18%
Moderate Income $9,627-$14,559	102	20%
Above Moderate Income $14,560+	214	41%
Total	521	100%

Source: 1980 U.S. Census
Based on Yuba County median household income of $12,032

Lower than average incomes in Wheatland and Yuba County as a whole are partially a reflection of the high unemployment rate and high percentage of people receiving social security benefits. In 1979 Wheatland's unemployment rate was nearly twice as high as the state average, but 5% lower than the county average. In addition, 17% of the families were below the poverty level in 1980.

TABLE 20
1979 CIVILIAN UNEMPLOYMENT RATE

City	11.5%
County	16.8
State	6.1%

Source: 1980 U.S. Census

5. Housing Affordability

Household income and housing costs are the two major determinants of affordability. Housing affordability is defined by the percentage of a household's gross income spent on housing costs. In the past, most State programs defined overpayment as a household paying over 25% of gross income toward housing costs (including utilities). Some federal programs defined overpayment as paying in excess of 30% of gross income toward housing costs (including utilities). In recent years, lenders have allowed 30% to 35% of gross household income as a basis for qualifying a prospective home buyer. For the purposes of this analysis, the city is using 25% as an affordability factor (not including utilities).

TABLE 21
TENURE/HOUSING COSTS

	Total Units	% of Units
Renter-occupied	217	41%
Overpaying for housing costs	117	54%
Owner-occupied	313	59%
Overpaying for housing costs	56	18%
Total occupied	530	100%
Overpaying for housing costs	173	33%

Source: 1980 U.S. Census

Overpayment for housing costs in Wheatland is a serious problem--33% of all households were overpaying for housing costs (paying more than 25% of their income for rent). Furthermore, 54% renter households and 18% owner households were overpaying for housing costs in 1980. For low-income households this problem is even more severe with 109 renter households (73%) and 45 owner households (40%) overpaying.

6. Overcrowding

The U.S. Census gauges overcrowding by calculating the number of housing units occupied by more than one person per room (not including bathrooms). Using this definition, Wheatland had 25 (4.7%) overcrowded households in 1980. Of the 25 households that were overcrowded, 19 had between 1.01 and 1.05 persons per room, while six had more than 1.5 persons per room. Eleven (44%) of the overcrowded households were renter-occupied and 14 were owner-occupied. None of the overcrowded renter households had more than 1.5 persons per room, while 75% of the overcrowded owner households had more than 1.5 persons per room.

TABLE 22
OVERCROWDING

Type of Household	1.01-1.50 Persons/Room	1.51+ Persons/Room
Renter	11	0
Owner	8	6
Total	19	6

Source: 1980 U.S. Census, STF1

Approximately 5% of the city's rental units were overcrowded in 1980. These overcrowded conditions demonstrate the need for affordable three- and four-bedroom units within the city. This need has been partially answered with the construction of the Bear River Apartments which have four three-bedroom apartments rented to low-income residents. However, the lack of four bedroom rental units is evident. The rental survey conducted in 1987 turned up only one four bedroom rental unit in the city.

7. Vacancy Rate

In 1980, Wheatland had 35 vacant units for a 6.2% vacancy rate. Of those units nearly half were vacant for rent. Wheatland's vacancy rate was consistent with the State average of 6.4% and considerably lower than Yuba County's 9.1% vacancy rate.

TABLE 23
WHEATLAND VACANCY RATES

	# of Units	% of Total Housing Stock	Vacancy Rate Within Group
For Sale	6	1.1%	1.9%
For Rent	17	3.0%	7.8%
Other Vacant	12	2.1%	
Total Vacant	35	6.2%	

Source: 1980 U.S. Census

According to DOF estimates for 1990, Wheatland's vacancy rate is a very low 2.7%, which equals 19 vacant units. However, this number differs from the actual number of vacancies in the city today. For example, the Meadows duplexes at the northern end of the city account for 69 vacancies alone (9.8% of the total housing units). However, it is important to note that these units are uninhabitable as they currently stand. A considerable amount of rehabilitation is needed for each unit before occupancy can take place.

8. Housing Conditions

Housing conditions stem from the age of the structure and the maintenance or lack of maintenance performed on each structure. Wheatland's housing stock is relatively old compared to the county and the state. While approximately half of the state's and county's housing stock was built prior to 1960, nearly 60% of Wheatland's housing stock was built prior to 1960.

TABLE 24
AGE OF HOUSING STOCK

Year Built	# of Units	% of Units
1979-March 1980	5	0.9%
1975-1978	74	13.1%
1970-1974	43	7.6%
1960-1969	111	19.6%
1950-1959	167	29.6%
1940-1949	26	4.6%
1939 or Earlier	139	24.6%
Total	565	100.0%

Source: 1980 U.S. Census

The 1980 U.S. Census shows that half of the city's housing stock was built in a 20 year span between 1950 and 1970. In addition, a high 25% of the housing units was built prior to 1940. Most (69%) of the renter-occupied units were built before 1960. Furthermore, in 1980, 20% of the renters and 61% of the owners had lived in their units for at least ten years.

Besides the structure's age, maintenance and upkeep also determine the condition of the housing. In March 1990, a windshield survey of all units in Wheatland was conducted by Rural California Housing Corporation to determine the condition of the housing stock. Detailed city maps were used to locate all residential dwellings which were identified in drive-by inspections. Exterior housing conditions of each unit were evaluated based upon state Department of Housing adopted criteria which rated the condition of five housing elements: foundation, roofing, siding, windows and doors. The units were identified by address and rated with a numbered assessment for each of these five elements, the total of which comprises the rating for each unit. For example, a home that needs a new roof (15 points), paint (3 points) and some window replacement (5 points) would be given a total rating of 23. This rating of 23 would then categorize the unit as needing moderate repairs.

The state criteria rates as "standard/sound" units that are structurally sound and do not need any repair or show signs of deferred maintenance.

"Minor" rehabilitation are units that appear structurally sound but show signs of deferred maintenance or upkeep. The house may need a roof replacement, or new windows and exterior paint.

"Moderate" rehabilitation involves the repair of more than one rated system. This category varies widely, from a unit that needs a replacement floor and new siding to a unit that needs the replacement of the roof, electrical system, windows and doors.

"Substantial" rehabilitation replaces several major systems, such as complete or partial foundation work, repair or replacement of exterior siding, reconstruction of roof rafters and deck prior to replacing shingles and complete replumbing.

"Dilapidated" units are those that are in such serious disrepair that basically all rated systems need repair, and compliance with Uniform Building Code would not be cost effective.

It is important to note, however, when reading housing condition data, that units are evaluated from the outside only. While a drive-by inspection can determine whether or not a home needs a new foundation or roof, it cannot identify whether the plumbing needs to be replaced or whether the home has an unsafe electrical

system. However, the status of the items evaluated does suggest the condition of the overall structure. For instance, a wood frame home which does not have a foundation probably will have an old electrical system. While the overall rating system accounts for this, the specific interior needs of any particular unit are not known until a housing inspection is conducted.

TABLE 25
FINDINGS WHEATLAND HOUSING CONDITION SURVEY
MARCH 1990

Condition	No.of Units	Percent of Total
MINOR	117	16%
MODERATE	107	15%
SUBSTANTIAL	17	2%
DILAPIDATED	5	1%
TOTAL SUBSTANDARD	246	34%
STANDARD	474	66%
TOTAL	720	100%

Substandard Housing Conditions

Condition	No. of Units	Percent Substandard
MINOR	117	48%
MODERATE	107	43%
SUBSTANTIAL	17	7%
DILAPIDATED	5	2%
TOTAL SUBSTANDARD	246	100%

Source: Rural California Housing Corporation, March 1990

The above data show the overall housing rehabilitation need of the incorporated area of the City of Wheatland. City-wide, 36% of the housing stock is in need of rehabilitation and 1% is dilapidated.

Newer subdivisions, located on the edges of town, consist mainly of standard units. The three newest subdivisions, those located around Cyrus Dam Drive, F and G Streets, and the subdivision off of Sixth Street near State Street, make up the bulk of the standard units.

The Nichols Point Mobile Home Park and Motel are in need of substantial repair, but lie directly outside of the city limits, and therefore, are not included in the above figures. Housing conditions in the center of the city, where the older homes are located, are marked by deterioration and code deficiencies, signs of the structures' age. This area, which includes the majority of the town, has been targeted for the city's housing rehabilitation program.

Given the housing rehabilitation needs, demographic and economic conditions, the city has applied for and received funding for two Community Development Block Grant housing rehabilitation programs. The first program, completed in 1987, rehabilitated 37 units. The second CDBG application, funded in 1990, provides low or no interest loans for 24 units occupied by low-income renters and owners. Implementation has just begun for this program.

9. At Risk Housing

There are only two subsidized rental housing projects within the city of Wheatland--Bear River Apartments and Donner Trail Manor. Both of these projects are financed through Farmers Home Administration Section 515 loans, which requires a commitment to rent to low and very low-income households for at least 20 years.

Bear River Apartments, located at 115 Hooper Street, was just built this year; thus, it is not at risk of conversion within the next ten years. This complex provides 24 units for low and very low income families--6 one-bedrooms, 14 two-bedrooms, and 4 three-bedrooms.

Donner Trail Manor, located at 431 North C Street, consists of 44 units built 12 years ago--6 two-bedroom units and 38 one-bedroom units. This project is not at risk of prepayment within the planning period of this housing element but will be eligible for prepayment in March 2000, which is within the planning period of the next updated housing element.

To be eligible to live in these apartments, the resident must be low- or very low-income and be either handicapped or elderly. Currently there are no vacant units and most of the units (40 units) are occupied by very low-income elderly persons. A windshield housing condition survey determined that this complex does not have any rehabilitation needs at this time. The complex is relatively new and the buildings and grounds are well maintained.

Farmers Home Administration reports that rental assistance is provided for 43 of the 44 units. Tenants pay only 30% of their income toward rent (which includes a utility allowance) and FmHA subsidizes the remaining portion of the rent. One-bedroom units rent for $337 per month and two-bedroom units rent for $367 per month. In fact, these rents are not much lower than current market rate rental units in the city; 1990 data indicates that two-bedroom units were renting for $370 per month. The loan amount is $1,425,000 at 1% interest for 50 years. In March 2000, this loan is eligible for pre-payment at which time the unpaid loan balance will be approximately $900,000.

It is probable that the owners of this complex would not convert this complex to market rate because of the market conditions in Wheatland. If a conventional loan were obtained at 10% interest for a 30 year term to refinance that unpaid loan balance of $900,000, the rents must be increased dramatically in order to meet the debt service. More specifically, rents would increase from $337 to $519 for a one-bedroom unit and from $367 to $549 for a two-bedroom unit, representing a $182 increase (54% increase). It is unlikely that the market in Wheatland will support a 54% rent increase by the year 2000. Thus, refinancing the unpaid balance through a conventional loan would not be feasible. In addition, because of the low, subsidized rents offered at this complex, there is a very low vacancy rate and the owner can now maintain a fiscally secure complex. A dramatic increase in rents would not be nearly as marketable in this community.

Replacement costs for a similar type development can be estimated by calculating the costs of development fees, land, on- and off-site development, hard construction, construction financing, architect/engineering, surveys, and general development such as legal, insurance, taxes, appraisals, title/escrow, and marketing. According to a local affordable housing developer, the cost to replace a similar sized subsidized development--44 units with an average size of 600 square feet per one-bedroom unit and 800 square feet per two-bedroom--is approximately $3.6 million, $85,000 per unit.

The cost to preserve this project would be less expensive than trying to replace it since the complex does not need any major rehabilitation. According to FmHA, when a borrower is eligible to prepay a loan, FmHA offers an incentive not to prepay the loan in order to maintain the property as affordable to low income households. If the borrower opts to sell the property, the project is offered first to qualified nonprofit organizations in the area. The owner can thereby sell this complex to a nonprofit organization at full market value. A nonprofit organization would pay for the costs associated with purchasing the complex, such as staff costs and appraisals. FmHA provides financing to the nonprofit in order to purchase the complex and, if necessary,

rehabilitate the units. In addition, the FmHA rental assistance would remain with the complex so that the units would remain affordable. While projects built after 1979 are not yet eligible under this FmHA program, FmHA expects that legislation will be enacted to extend the program to include post-1979 developments.

Other typical funding sources for at risk projects consist of Community Development Block Grants (CDBG), redevelopment agency funds and housing authority funds. In Wheatland, these funding sources are not available. Since Wheatland is not an entitlement community, it must compete on a statewide level for CDBG funds. Wheatland generally uses its CDBG funds for housing rehabilitation, as it presents a more competitive application and takes care of a critical need within the city. There is no redevelopment agency within the city of Wheatland and the Yuba County Housing Authority does not have funding for at risk projects.

The city does not expect Donner Trail Manor to convert to market rate housing. However, if the owners do decide to convert their loan, the city will work with a nonprofit organization to try to conserve all 44 units within the complex as affordable to low income seniors. This complex still has eight years left before the owners are eligible to prepay the loan and therefore will remain a source of affordable housing to low and very low-income seniors and handicapped persons until at least March 2000. Rural California Housing Corporation, a nonprofit affordable housing developer with years of experience in working with FmHA, has expressed interest in acquiring and managing Donner Trail Manor, if the owner should decide to prepay the loan. RCHC has 25 years of experience of affordable housing development for low income people and has a commitment to the maintenance of affordable housing.

E. Projected Need--Regional Housing Needs Plan

California local governments are required by law to participate in a regional fair share housing allocation program. The Sacramento Area Council of Governments (SACOG) prepares a regional housing needs plan for each city and county within its jurisdiction, which includes the city of Wheatland. This plan provides the city with a measure of its share of the region's projected housing needs by household income group--very low, low, moderate, and above moderate. These housing allocations are used to determine the existing and projected housing needs for the planning period of 1991 to 1996.

One interesting note to keep in mind is the planning period overlap from the last housing element and this housing element. The city is required by law to use the latest SACOG projections in planning for future needs. The last housing element used the

1984 SACOG Regional Allocation Plan, a six year planning period which extended through 1990. In this housing element, the city is using the November 1990 SACOG Regional Allocation Plan which covers the seven year span from 1989 to 1996. Thus, there is a two year overlap in these planning periods--1989 and 1990. Since the city uses these plans for two separate functions within the housing element--progress in implementing the 1984 housing element and future housing needs--the housing produced during 1989 and 1990 has been counted for both sections.

Based on a 1989 estimated 678 households, SACOG has determined that 134 units will need to be provided in Wheatland by 1996 to meet its projected need. This projection equates to a 19.8% increase of households by 1996 and is nearly double the actual increase from 1980 to 1990 (10.6%).

TABLE 26
SACOG REGIONAL HOUSING NEEDS ALLOCATION FOR WHEATLAND

Income Category	1989 HHs	1989 Percent	1996 HHs	1996 Percent	1989-96 Increase	% of Increase	Basic Need
Very Low	179	26.4%	210	25.9%	31	23.1%	41
Low	135	19.9%	161	19.8%	26	19.4%	35
Moderate	148	21.8%	172	21.2%	24	17.9%	32
Moderate+	216	31.9%	269	33.1%	53	39.6%	70
Total	678	100.0%	812	100.0%	134	100.0%	178

Source: SACOG Regional Housing Needs Allocation, November 1990

SACOG goes one step further in determining the actual construction need during the planning period. In determining this need, SACOG factors in vacancy rates and average number of units removed from the housing stock within the planning period. Taking these two factors into consideration, SACOG has determined that Wheatland's basic construction need calls for 178 new units by the end of 1996. Using a seven-year planning period, Wheatland's increase in housing units translates to an average of 25 units per year. In 1989 and 1990 Wheatland added 66 units to its existing housing stock, an amount which actually exceeds the projected need by 16 units.

Contrary to SACOG's projections, the slow growth rate in Wheatland is expected to increase over the next five years due to overall population growth in the area and high housing costs in the surrounding metropolitan areas. The greater Sacramento-Placer-Sutter County area, particularly the Sacramento

and Placer component, has experienced explosive growth since 1980--a growth pattern that is likely to continue over the next years. Until very recently Yuba County did not feel development pressures from this growth. However, in the last few years development pressures in and around the city of Wheatland have greatly intensified.

To plan for this new development, the city commissioned the preparation of the 1995 Specific Plan, published in 1990. Currently the city has pending development proposals in various stages of readiness for over 500 units of housing and the prospect of some large commercial developments along Highway 65 frontage in the city. This projected unit increase is 322 units higher than SACOG's projections. The Plan further projects that by 1995 most of this new development in the specific plan area will occur or at least be in advanced planning stages. One such subdivision, Settler's Village, which consists of 70 single-family lots, is currently undergoing construction and is expected to be completed soon. This subdivision alone would account for 39% of SACOG's projected construction need for the city. Coupled with the 66 new units built in 1989 and 1990, Settler's Village will provide Wheatland with 76% of its fair share allocation.

Breaking down the housing allocation by income group can be difficult since the city does not keep records that show affordability of housing. The following table represents estimates of the housing built during the past two years and the remaining basic need.

TABLE 27
REGIONAL HOUSING NEEDS ALLOCATION
WHEATLAND, 1991 - 1996

Income Level	Basic Need	1989-90 Construction	Remaining Basic Need
Very Low	41	20	21
Low	35	12	23
Moderate	32	24	8
Above Moderate	70	10	60
Total	178	66	112

Source: City of Wheatland building permits, 1989-90

Note: Bear River Apartments serve residents who earn below 60% of median income, which places these units in the low and very low income categories.

While the city does not know the precise breakdown on the affordability of housing, the city does know that 24 apartment units (Bear River Apartments) were built exclusively for low and very low-income families. In addition there have been two four-plexes (eight units) built for market rate housing during the past planning period. However, in Wheatland, market rate rents can provide affordable housing to low-income renters. For example, rent set at $370 is affordable to a family of four earning $1,225 per month, an income which represents a very low-income family in Yuba County (50% of median income). Additionally, 34 units of mobile homes were added to the housing stock during this two year time period. Mobile home owners rent the spaces in this mobile park for $165 per month, which can be affordable to low-income households. The city assumes that the new single family dwellings are affordable to moderate and above moderate income families.

Although the city has already met 42% of its low and very low-income fair share allocation, there are no present plans to provide additional affordable housing for this population. Also, since some of these affordable units are not subsidized and do not carry a regulatory agreement, there is no guarantee that these units will remain affordable for any length of time.

If Wheatland retains its new construction plans and projections, the city will not meet its low and very low-income allocation but will far exceed its housing allocation for moderate and above moderate income families. If development proceeds as planned, very few of the planned units in the specific plan area will be affordable for low or very low-income residents. Thus, even if the city does meet SACOG's fair share allocation in terms of the number of units built, the additional units built that exceed SACOG's projections will serve only moderate and above moderate income households, which ultimately will not reflect a balanced population or serve the needs of the residents.

To avoid this unbalanced ratio of housing affordability and to create the housing needed by the lower income residents in Wheatland, a variety of private developer incentives and city initiatives need to be exercised. The city can explore two avenues to stimulate affordable housing production. The first is an active information and assistance program to help private developers obtain the subsidies necessary for affordable housing, often referred to as raising gap financing. The resources available are listed in Section IV, Policies Implementation. The process for obtaining those commitments is difficult, the competition is serious, but the assistance is substantial and the benefits to the community are great. City assistance can include basic program information, participation in meetings with potential funding sources, and technical assistance in completing parts of the applications, which is a reimbursable cost.

The second avenue is one of locally derived housing initiatives and new partnerships with the private and nonprofit sectors. These initiatives include density bonuses, land banking or land write-downs, fee waivers, trade-offs for special requests: down-zoning and annexation, and inclusionary zoning. Summaries of these initiatives will be addressed in Section IV, Policies Implementation.

III. CONSTRAINTS TO HOUSING DEVELOPMENT

Constraints to housing development, either governmental or non-governmental, must be recognized in order to accurately plan for housing. Governmental constraints that can be addressed include the city's land use policies, programs, and procedures. Wheatland's specific governmental constraints are: an inadequate supply of land zoned for multi-family use; some restrictive development standards for land zoned single-family; limited staff and resources; and lack of infrastructure. However, development processing time, permit procedures and fees and most of the city's development standards do not inhibit housing development within Wheatland.

Non-governmental constraints, on the other hand, cannot be overcome by local government, particularly those related to the condition of the national economy. These factors directly influence the cost of housing and include the cost of land, construction materials, labor, financing, marketing, and property taxes.

The following is an analysis of both types of constraints and how they relate to the city of Wheatland.

A. Non-governmental Constraints

Housing costs are influenced by a number of factors including cost of land, construction materials, labor, financing, marketing, and property taxes. Development costs in Wheatland are reflected in the sales prices of new homes. According to local real estate agents modestly sized new homes are selling for $126,000-$130,0000. Existing single-family houses sell for approximately $85,000+ for modest-sized homes, considerably less than new units. New home prices have increased 86% over the past six year planning period; six years ago, a new home sold for approximately $65,000-$70,000. Even with this dramatic increase, Wheatland's housing prices are still consistent with neighboring communities such as Marysville and Yuba City and well below Roseville and Rocklin.

TABLE 28
DEVELOPMENT COSTS

Cost Items	Cost Estimate
Housing Construction Cost 3br/2ba 1,200 sq.ft. @ $45/sq.ft.	$54,000
Land (Finished Lot)	35,000
Soft Costs	10,000
Permits & Fees	11,000
Overhead/Profit	15,000
Total	$125,000

Added to development costs are the financing costs carried by the homeowner or passed on to the renter. Current interest rates for a 30-year fixed rate mortgage are 9.75%. Adjustable rates are slightly lower due to their fluctuating nature, with the lowest rate being 6.875%. In addition, bank officials report that there are no mortgage deficient areas within Wheatland. Five years ago interest rates ranged from 12% to 14%, significantly higher than today's rates. Even though the interest rates have decreased over the past five years, the cost of development has continued to rise.

Since the lower interest rates have not offset the dramatic increase in housing costs, most Wheatland residents are financially constrained from purchasing a home within the city. Only those households who fall into the above moderate income category can afford to buy a new home at the current prices. Residents who earn a moderate income (120% of median) can afford to purchase an existing home at $83,000. But low and very low income households cannot afford to buy either a new or existing home in Wheatland.

Table 29 represents the affordability gap from the perspective of a housing developer trying to house lower income families. With the cost of developing a no-frills 1,200 square foot single family home in Wheatland reaching $125,000, only households with an income of $53,000 (180% of the area median income) can afford to purchase new homes with a 10% down payment. To be affordable to low-income families at 80% of median income, a single family home must be developed for $55,000. Such a feat would require a $70,000 subsidy to the developer, or a different way of developing housing. See Section IV for description of density bonus, self-help housing, inclusionary zoning, etc.

Clearly the development community by itself cannot overcome these constraints. While there may be a chance of some isolated instances of developers purchasing land at bargain rates and cutting costs enough to create housing affordable for lower income households, this accomplishment would be a rarity. If

left unchecked, housing costs will continue to escalate, and both for-profit and nonprofit developers who want to construct housing for less affluent city residents will be unable to do so.

The public sector must intervene to facilitate affordable housing development by making available financing subsidies and other incentives to affordable housing developers. Section IV discusses the city's program goals in meeting its regional share allocation for all income groups.

TABLE 29

HOUSING AFFORDABILITY GAP
NEWLY CONSTRUCTED SINGLE FAMILY
CITY OF WHEATLAND

AFFORDABILITY		Above Moderate Income	Above Moderate Income	Moderate Income	Low Income	Very Low Income
Sales Price		$125,000	$90,000	$69,000	$55,000	$34,000
Down Payment (10%)		$12,500	$9,000	$6,900	$5,500	$3,400
First Mortgage		$112,500	$81,000	$62,100	$49,500	$30,600
Monthly Payment	9.75%	$970	$700	$530	$430	$260
Taxes & Insurance		$138	$108	$91	$79	$62
Monthly Housing Cost		$1,108	$808	$621	$509	$322
Minimum Monthly Income*		$4,435	$3,185	$2,450	$1,960	$1,225
Minimum Annual Income		$53,214	$38,220	$29,400	$23,520	$14,700
Percent of Median Income ($29,400)		181%	130%	100%	80%	50%

*Based on 25% of income spent on housing costs.

B. Governmental Constraints

1. Land Use Regulations

Three key issues pertaining to land use controls impact housing costs:

1) Does zoning allow for densities appropriate to housing needs?
2) Is there an adequate supply of land in each zone category?
3) Does the processing time and improvement costs for development proposals adversely affect housing costs?

One of the most effective actions that the city can take to meet its projected housing needs is through land use controls and an adequate supply of buildable sites. The location, extent, density and type of residential development are controlled by the city through planning and zoning. The city of Wheatland's zoning ordinance has established four residential zoning districts--residential estates (RE), single-family (R-1), two-family (R-2), and multi-family (R-3).

Residential Estates allows for single family dwellings in a very low density area. Such a low density district is particularly intended to permit a reduction in streets, public utilities and related public service not possible in higher density residential areas.

R-1 single family residential district is a low density area intended to accommodate groups of single-family homes together with schools, parks, open spaces, and other public services. Manufactured housing units and mobile homes are allowed wherever single family dwellings are allowed and mobile home parks are permitted in all residentially zoned land. This zoning designation also allows family day care facilities.

R-2 two-family residential district allows one dwelling unit for every 3,000 square feet of net lot area, thus two units per 6,000 square foot lot. This zoning designation also allows small family day care facilities.

R-3 multi-family residential limited district allows triplexes, fourplexes, and apartments subject to the density restrictions of 18 dwelling units per acre or one dwelling unit and customary accessory buildings per 2,000 square feet. This zoning designation also allows such conditional uses as mobile home parks/manufactured housing, large day care centers and day care-family facilities and sheltered care facilities, which would include homeless shelters and transitional housing. A conditional use permit is subject

to limited discretionary approval with conditions that are no more restrictive than those of similar uses.

In order to provide for new housing development, the city must ensure that there are adequate sites with appropriate densities available for new construction. A vacant land survey was conducted in conjunction with this housing element to determine whether or not the city has adequate sites available to meet its regional needs allocation of new construction for each income category--above moderate, moderate, low and very low income.

Table 30 presents Wheatland's inventory of vacant sites, the densities permitted for each zoning designation, the dwelling unit capacity and the availability of services.

TABLE 30

WHEATLAND VACANT LAND INVENTORY

Zoning/Permitted Housing Type	# of Acres	Density Units/Acre	Availability of Services/Facilities	Dwelling Unit Capacity	% of Total Unit Capacity
R-1 Single-family Low Density	211.8	4.5	Infrastructure not in place for approx. 200 acres	953.0	92.6%
R-2 Multi-family Medium Density	0.2	9	Services available	2.2	0.2%
R-3 Multi-family High Density Emergency Shelter/ Transitional Housing	4.1	18	Infrastructure not in place	73.6	7.2%
Non-residential	7.8		Services available for half of vacant acreage		
TOTAL	223.9			1028.8	100.0%

NOTE: Mobile homes are permitted uses on all residentially zoned land.

The survey results revealed that 224 acres are vacant within the city limits. The majority of this acreage (95%) is zoned for single family housing, while only 2% is zoned for multi-family. Current zoning for this acreage yields a total of 1,029 dwelling units, well within the overall basic construction needs for SACOG's Regional Needs Allocation plan for the city for the next five years.

Assuming that the low density designation will provide for the above moderate income group, medium density for moderate and to some degree low income groups, and high density for low and very low income groups, the current vacant land available for new construction will meet the production needs of each income group. However, if development proceeds as planned a disproportionate number of units produced for above moderate incomes will result. Thus, Wheatland will not meet its fair share allocation in terms of the ratio of units affordable to lower incomes. The high percentage of single family vacant acreage does not provide housing for these lower income groups. Producing higher end housing will also affect the existing market conditions in Wheatland by driving up the market values of existing properties, thus increasing the housing costs of units that are now affordable to low income households (but do not carry a regulatory agreement).

Although Wheatland's land use designations do not pose a direct constraint to development, affordable housing development can be somewhat restricted in the future. In order to avoid producing a disproportionate number of units affordable to only higher income households, the city will need to consider a number of options. One option is to rezone a portion of the vacant land zoned for single family to multi-family. (Since the city will be undergoing changes to its land use and zoning maps over the next few years, now is the time for the city to act on these changes, and thus to provide affordable housing for moderate income households and below.) Additional options the city may pursue to produce more affordable single-family housing include inclusionary zoning and modifying development standards for single-family zoned land, i.e., zero lot line developments. These and other options will be discussed further in Section IV.

2. Infrastructure Provisions/Development Fees

For property to be readily available for development, it should have infrastructure improvements in place or have a plan to provide for necessary improvements. A portion of the vacant property within the Specific Plan area has already been improved; Phase I of Settler's Village has received infrastructure improvements--water, sewer, roads. Also, approximately 10% of the vacant acreage listed in Table 30 constitutes infill lots and is immediately available for development since infrastructure is already in place.

Most of the vacant acreage noted within the adequate sites inventory, however, falls within the Specific Plan area and lacks infrastructure improvements. For new development to proceed, the city had to address the following issues: near capacity sewage treatment plant; drainage problems in the northern half of the city; funding ongoing services in newly developed areas; and adequate water supply and traffic circulation measures. The city has acted to address each of these infrastructure constraints in its 1995 Specific Plan and expects to exceed the regional housing allocation goals by 1995.

Developer outlay for infrastructure (i.e., sewer, water, streets drainage and other utilities) is a significant factor resulting in higher development costs and home prices in the city. There are two basic ways to fund capital costs: (1) development fees or taxes charged at the time a project receives some municipal entitlement, such as subdivision map approval or a building permit and; (2) sale of long term municipal bonds which are paid from taxes or assessments levied on properties within the plan area.

Wheatland uses both capital finance methods to fund improvements within the Specific Plan area. The bonds have been sold and the sewer treatment plan has been expanded to provide services for 800 additional units. All other capital facilities will be financed by development fees or by affected developers putting the improvement in place subject to partial reimbursement for such costs when later developers seek to hook into or utilize the capacity of the facility put in place by the first developer. Thus, the city has already acted to overcome any infrastructure constraints to development. Table 31 presents Wheatland's capital improvement fees and other development fees.

TABLE 31
WHEATLAND DEVELOPMENT FEES

Category	Single-Family	Multi-Family
Waste Water Transport	$ 920	$ 460
Storm Drainage	1,000	500
Water	710	355
Road Circulation	910	455
Community Facilities	2,100	1,050
Sewage Treatment	2,250	1,950
School ($1.58/sq.ft.)[1]	1,896	1,264
Building Permit	727	482
	$10,513	$6,516

[1]School fees are currently $1.58/sq.ft., but a study is being conducted to assess a supplemental school fee for new development in the city of Wheatland.

Note: Development fees are per unit costs based on 1,200 square feet for single-family and 800 square feet for multi-family.

Wheatland total fees are approximately $10,500 for a 1,200 square foot single family home and $6,516 for an 800 square foot multi-family unit. These fees associated with development are consistent with nearby communities and reflect actual area costs necessary to provide services for new development. While these are not excessive, they will ultimately be passed-on to the consumer in the cost of the housing, thus possibly limiting affordability to those households earning moderate and above moderate incomes. To overcome this constraint to affordable housing, the city will abide by state law by allowing density bonus allowances and will consider planned unit developments for developers who provide affordable housing. These programs will be addressed further in Section IV.

3. Permit Procedures

Slow processing time in obtaining government approvals can significantly increase housing costs, thus become a constraint to affordable housing. Wheatland's average permit approval process is not lengthy. In fact, the city abides by the processing guidelines set in the Uniform Building Code. The city conducted an informal survey of processing times in neighboring jurisdictions and found that Wheatland's processing times are consistent with other city's and county's and do not pose a constraint to affordable housing development.

Developments within the Specific Plan area have a reduced processing time because of the environmental clearance provided by the Specific Plan. Typically, processing of these subdivisions takes three months if there are no deviations from the Specific Plan guidelines. Zoning changes or variances can add at least three months to the planning process. Outside the Specific Plan area processing time can vary from six months to one year. Building permits can be obtained within two weeks.

Wheatland also has a design review board which is part of its planning commission. The design review board reviews architectural design and site design primarily for commercial structures. For example, it reviews materials and colors of the structures and looks at parking lot layout and landscaping. According to the zoning ordinance, for residential structures, permitted uses within the multi-family zones are not subject to design review. Conditional uses of multi-family, those projects seeking a conditional use permit, are subject to design review. And single-family projects seeking tentative map approval are also subject to design review. In these cases, a developer can bring a combined action before the planning commission in one session--attain a use permit (or tentative map approval) and approval from design review. A combined action does not require any additional processing time, thus does not pose a constraint to development. The design review board does charge a small fee to the applicant--1/4 of 1% of the building valuation. This fee is consistent with fees charged by other communities with design review boards, which is not a constraint to affordable housing development.

4. Code Enforcement

The code enforcement program in Wheatland is not a constraint to development and, in fact, is a catalyst for improving the conditions of the city's housing. Because of its small size and limited staff, Wheatland has hired consultants to conduct building inspections and code enforcement. The city responds to complaints about housing conditions on a case by case basis.

One case in particular that the city's code enforcement program has responded to is the Wheatland Meadows. The Meadows is an 80-unit duplex subdivision located at the northern tip of the city. Tenant complaints of substandard housing coupled with inadequate performance of the absentee landlord prompted the city to take action to alleviate this problem. California Rural Legal Assistance (CRLA) became involved when a group of tenants sued the landlord for not providing safe and sanitary housing. On behalf of all low income tenants living in the Meadows, the city of Wheatland acted as co-plaintiff in this case. The courts decided in favor of the plaintiffs (a group of tenants represented by CRLA and the city) and ordered the landlord to repair the substandard structures immediately and maintain an

ongoing maintenance program for these units. Thus, the city in cooperation with CRLA effectively took action against this landlord in order to rehabilitate substandard housing and keep the units affordable for the low income tenants.

Presently, however, a majority (69) of the units are vacant and boarded. The landlord has maintained habitable housing for the remaining tenants, but as tenants vacate their units, the landlord boards the units and does not make them available to new tenants. Thus, the city is losing a valuable supply of affordable rental housing. The landlord has also declared Chapter 11 bankruptcy, and listed the Meadows for sale.

5. City Staff

Another constraint to providing affordable housing is Wheatland's limited staff size and resources. As with most small cities, Wheatland has a small staff and limited resources and cannot provide the same services as can larger cities with a more diversified staff and adequate resources. To accomplish much of its housing needs, the city has hired consultants to perform activities that the city staff does not have the time nor resources to do, i.e., the building inspector (mentioned above), planner, engineer, attorney, etc. The housing program outlined in Section IV of this housing element takes these constraints into consideration and puts forth a realistic plan for what the city is able to accomplish remaining within its budget and considering its limited staff.

TABLE 32

QUANTIFIED OBJECTIVES

NEW HOUSING PRODUCTION
1991 – 1996

	Very Low	Low	Moderate	Above Moderate	Total
Low Density	0	5	0	55	60
Medium Density	0	5	3	5	13
High Density	21	8	2	0	31
Mobile Homes	0	5	3	0	8
Total Target #	21	23	8	60	112
Total Target %	18.8%	20.5%	7.1%	53.6%	100.0%

CONSERVATION/REHABILITATION OF EXISTING HOUSING

	Owner	Renter	Total
Rehabilitation			
Very Low Income	20	15	35
Low Income	30	15	45
Weatherization			
Very Low Income	7	2	9
Low Income	8	3	11

TABLE 33

ANNUAL AVERAGE NEW CONSTRUCTION NEED

SACOG PROJECTED NEED 1991-1996
Based on Remaining Construction Need of 112 Units

Year	Very Low Income	Low Income	Moderate	Above Moderate	Total
1991	3	3	1	10	17
1992	3	4	1	10	18
1993	3	4	1	10	18
1994	4	4	1	10	19
1995	4	4	2	10	20
1996	4	4	2	10	20
Total #	21	23	8	60	112
Total %	18.8%	20.5%	7.1%	53.6%	100.0%

BREAKDOWN OF UNITS BY INCOME GROUP
Based on 1995 Specific Plan Estimates
of 500 Units Constructed Through 1996

Year	Very Low Income	Low Income	Moderate	Above Moderate	Total
1991	19	16	14	33	82
1992	19	16	15	33	83
1993	19	16	15	33	83
1994	19	16	15	33	83
1995	20	16	15	33	84
1996	20	17	15	33	85
Total #	116	97	89	198	500
Total %	23.1%	19.4%	17.9%	39.6%	100%

IV. PROGRAM/POLICY IMPLEMENTATION

Local, state, and federal government, financiers, developers, and builders all play important roles in the development of housing. Wheatland's responsibility is to facilitate a balanced housing market that serves all income groups. If the city were to step back and allow development proposals to proceed as planned, only above moderate and few moderate income households would be able to afford new housing in Wheatland. The city realizes the urgency and importance of planning for a balanced housing market--housing affordable to all income levels--and has designed a housing program to address its unique housing needs. The following goals, policies, objectives, and actions comprise such a program and reflect the quantified objectives listed in Tables 32 and 33.

A. New Construction

The housing needs analysis clearly indicates the need for production of housing affordable to lower income residents. To achieve this end, a variety of private developer incentives and city initiatives need to be exercised. Locally derived housing initiatives and new partnerships with private and nonprofit sectors provide a direct route to production of affordable housing. During this planning period Wheatland intends to implement the following programs in order to meet its regional housing allocation for all income groups.

Re-zoning. The resource inventory analysis revealed that the city's current zoning allows the city to meet its goals for each income group. However, the lack of land zoned for multi-family use (land potentially available for lower income households) may constrain affordable housing development in the years following this planning period. Most of the vacant land is currently zoned for low-density residential use. The lack of land designated for higher densities would present a major obstacle to developers of residential housing who are attempting to build for less affluent residents. By amending the general plan to allow for more high density residential development, the city can provide more housing opportunities for lower income households in future years. And throughout this planning period the city will maintain at least the minimum number of multi-family acres necessary to provide for the lower income groups.

The city is in the process of amending it zoning ordinance and zoning map. The city is also planning to amend its general plan which will encompass certain sphere of influence lands. In conjunction with the amendments, the city will re-zone at least 10 acres of land currently zoned for single-family (R-1), converting it to multi-family--7 acres R-3 and 3 acres R-2.

Action: Re-zone 10 acres of land for multi-family use--seven acres to R-3 and three acres to R-2.

By: Planning Commission/City Council

Time Frame: By July 1994

Density bonus. State law permits a density bonus of 25% above the allowable density and an incentive of equivalent financial value for developments in which either 20% of the units are reserved for lower-income households or 10% are reserved for very low-income occupancy. The city will continue to allow developers to utilize this incentive.

Action: Allow density bonus according to state law.

By: Planning Commission/City Council

Time Frame: Ongoing

Female Headed Households/Child Care. The needs sections noted that the number of families headed by women implies the need for child care. While most of the child care needs are met outside the city limits, the city can aid in providing affordable child care by allowing child care facilities within the residential zones. As per state law, the city's current zoning ordinance allows for family day care facilities within all residential zones and conditionally allows for larger child care facilities within the R-2 and R-3 zones. A conditional use permit is subject to limited discretionary approval with conditions that are standardized, objective, and no more restrictive than those of similar use.

Action: Continue to allow child care facilities within the residential zones.

By: Planning Commission/City Council

Time Frame: Ongoing

Senior Housing. The needs section also identified a number of seniors who are low income. The city has several existing programs to aid in offering affordable housing to these seniors. The Donner Trail Manor serves 44 low and very low income households. In addition, Bear River Apartments and an existing mobile home park can also meet a portion of this need. Another source of affordable housing opportunities for seniors is "granny flats." State law allows second dwelling units (granny flats) within the residential zones. The city will revise it's zoning

ordinance to permit second dwelling units with kitchen facilities, subject to approval of a conditional use permit.

Action:	Revise zoning ordinance to permit second dwelling units with kitchen facilities, subject to a conditional use permit, within the residential zones.
By:	Planning Department; Planning Commission/City Council
Time Frame:	December 1992

Mortgage Credit Certificates (MCCs). Mortgage Credit Certificates (MCCs) are tax credits given to low- and moderate-income households to help them purchase a new or existing home. The MCC reduces the amount of federal income tax the household pays, thereby giving the household more available income to qualify for a mortgage loan and to make the monthly mortgage payments.

Participating households receive a tax credit for twenty percent (20%) of the annual interest paid on their mortgage loan. That credit, of course, cannot be more than one's federal income tax liability. But the calculation of that tax credit frees up income which the mortgage lender then uses to help qualify more people for home loans.

Yuba County Housing Authority has been implementing a countywide MCC program since 1990. Wheatland residents are eligible for this program, but to date have not taken advantage of the program and only one certificate remains. The city council of Wheatland will continue to cooperate with the housing authority to apply for additional funding under this program. At the May 7, 1991 city council meeting, the city council approved submission of a 1991 MCC application.

Action:	Approve submittal of a 1991 MCC application. Continue to cooperate with the Yuba County Housing Authority to apply for additional funding under this program.
By:	City Council
Time Frame:	May 1991/Ongoing

Waivers. Wheatland's limited resources may be used judiciously to make housing developments for low-income residents feasible. Fee waivers, expedited processing, and reasonable modifications of development standards are the most common "regulatory reliefs" sought by affordable housing producers. Fee waivers include not

only planning or permit fees, but also those pertaining to utility services which are often substantial (e.g., hook-up and development fees for water, sewer, drainage, roads, etc.) Where full fee waivers are not possible, as is the case in Wheatland, some local jurisdictions offer partial fee waivers. The city has very little room in its budget to accommodate even partial fee waivers but will consider partial waivers on a case-by-case basis.

The success of local programs operating out of public building and planning departments is dependent upon the designation of specific staff person(s) who will coordinate the processing of developer applications. City staff will ensure that local policies are implemented consistently and efficiently and that the burden of ensuring the success of the program is taken off the developer.

Action: Allow partial fee waivers to affordable housing developers, on a case-by-case basis, to the extent that the partial fee waivers are not cost prohibitive to the city. Expedite (fast track) processing of affordable housing developers, to the extent that it does not incur higher costs.

By: Planning Commission/City Council

Time Frame: Ongoing

Modified Development Standards. Excessive subdivision development standards can unnecessarily add to the cost of the development. While Wheatland's development standards are not considered excessive, one specific guideline can be modified without hurting the integrity or aesthetics of the proposed development. Currently, the city requires landscaping at the entrance to each subdivision with landscaped median dividers. While this requirement may be aesthetically pleasing, it is not essential for the development and shall be modified/waived for housing developments affordable to lower income households. Specifically, this requirement will not be necessary for affordable housing developments unless the subdivision entrance is accessed from Highway 65.

Action: The city shall modify/waive landscaped median dividers at subdivision entrances for affordable housing developments, on a case-by-case basis.

By: Planning Commission/City Council

Time Frame: Ongoing

Inclusionary Zoning. Inclusionary zoning policies require and/or provide incentives for construction of low and moderate-income housing in conjunction with the development of new market-rate housing. Such policies may be designed to achieve two important objectives. First, an inclusionary policy can ensure that the supply of affordable housing continues to increase as the community grows. Second, by requiring construction of affordable units as part of each new development, an inclusionary policy can ensure that affordable housing opportunities are available throughout the community. This latter objective can help achieve economic integration by ensuring a fair share distribution of affordable housing.

In October 1990, the Sacramento Housing and Redevelopment Agency completed a study on inclusionary zoning policy options. The report outlined policy issues and features that could be incorporated into an inclusionary zoning ordinance, and also included a description of several programs that have been implemented in other jurisdictions. Fifty jurisdictions throughout California now have inclusionary zoning policies. The inclusionary zoning effort has generally been one tool used by local governments in areas affected by rapid growth and rapidly increasing housing costs.

Successful inclusionary zoning experiences generally involve a private developer's partnership with 1) a nonprofit development corporation, which builds out and secures the financing for the affordable portion of the larger development, and 2) the local government, which may offer increased flexibility in the timing of development requests, offer streamlined processing, and help negotiate compromises to achieve a quality overall development. In some instances, the "affordable" part of the development is considered a separate PUD, but heard jointly with the larger development's submissions.

Variations abound on how local governments can accomplish affordable housing through inclusionary zoning. In some instances, the for-profit developer is encouraged to produce the affordable units on his own, with entitlements or occupancy permits on the market rate housing dependent on financing commitments for the lower income housing. In other instances, local governments encourage the donation of land to a nonprofit or public agency, with separate track processing arranged. In a few cases, a swap of comparable property is allowed in meeting the affordable housing requirements, but increasingly this measure is seen as counter to efforts to produce economic integration.

There is similar variation in the definition of "affordable." Numerous jurisdictions employ setasides for different income levels, such as "half of the housing constructed for persons earning less than 50% of the area's median income, the balance

for persons earning less than 80% of median." Income definitions also change with the type of dwellings. For example, higher income levels (80% - 100% median) may be acceptable for single-family homeownership developments, particularly where mortgage revenue bonds or the Mortgage Credit Certificate program are the probable subsidy.

Inclusionary zoning is a tool for local governments that allows considerable local discretion in meeting the most pressing affordable housing needs. As the SHRA report reveals, there is no set formula. City officials will direct staff to research inclusionary housing programs and recommend a policy with input from the most significantly affected groups--from the development community to representatives of groups needing affordable housing. Linkages need to be shown between the inclusionary requirement and the unmet need for housing affordable to low-income people.

Action: Research inclusionary housing programs and recommend a policy.

By: Planning Department/Planning Commission

Time Frame: December 1994

Planned Unit Developments. Planned developments can play an important role in Wheatland. Open spaces can result from project designs in which the housing is developed on a portion of the parcel and the balance of the parcel remains natural. The substantial advantage of the planned development in terms of delivering affordable housing is the concentration of development costs. The size of the developed parcels is reduced below the typical single family pattern, and this results in a substantial savings in infrastructure costs.

Action: Continue to allow planned unit developments in accordance with the established guidelines of the general plan and zoning ordinance.

By: Planning Commission/City Council

Time Frame: Ongoing

Resources for Private Developers. The city will initiate an active information and assistance program to help private developers obtain the subsidies necessary for affordable housing. The city can help developers take advantage of federal and state financing resources for affordable housing development. The process for accessing these funds is complex and competitive. The city can play an important role in ensuring that Wheatland receives its fair share of these funds by making

sure developers are aware of the existence of these programs and by facilitating their use. The city will prepare a brochure listing the following resources and make it available for any interested developer.

Action: Prepare brochure of affordable housing development programs and funding sources.

By: Planning Director

Time Frame: December 1992

Tax Credits. The Tax Reform Act of 1986 established a program for providing a tax credit for owners of low income rental housing. This program was extended by Congress for 1990 and 1991. It replaces previous tax preferences for low income housing such as preferential depreciation schedules and special treatment of construction period interest and taxes. Tax credit is claimed annually for a designated time period--state credits, four years and federal, ten years--and is allowed for new construction, rehabilitation, and acquisition.

Property is eligible for the credit if (1) at least 20% of the housing units in the project are occupied by individuals with incomes of 50% or less of area median income, or (2) at least 40% of the units in the project are occupied by individuals with incomes of 60% of the area median income, adjusted for family size.

The credits are used to raise funds from investors. In return for the tax benefits (including credits) that they receive, investors contribute equity capital as limited partners in a partnership which owns the housing. Generally, 40-50% of the project costs can be raised from proceeds of a tax credit sale. The general partners of the partnership are usually the developers of the project, who act as managing partners and provide net worth.

Affordable Housing Program (AHP). The Affordable Housing Program of the Federal Home Loan Bank of San Francisco dedicates Bank earnings to make below-market advances, direct subsidies, and other mechanisms, to write down the interest rate of financing provided by member institutions engaged in lending for long-term, affordable owner-occupied and rental housing. AHP subsidies must be applied for through a FHLB member institution--generally a savings and loan association--and application is a competitive process. Funds must be used for one of two broad purposes: (1) to finance the purchase, construction, and/or rehabilitation of owner-occupied housing for very low-, low- and moderate-income households; or (2) to finance the purchase,

construction, and/or rehabilitation of rental housing, at least 20 percent of the units of which will be occupied by and affordable for very low-income households for the remaining useful life of such housing or the mortgage term.

Mortgage Credit Certificates (MCCs). Mortgage Credit Certificates (MCCs) are tax credits given to low- and moderate-income households to help them purchase a new or existing home. The MCC reduces the amount of federal income tax the household pays, thereby giving the household more available income to qualify for a mortgage loan and to make the monthly mortgage payments.

Participating households receive a tax credit for twenty percent (20%) of the annual interest paid on their mortgage loan. That credit, of course, cannot be more than one's federal income tax liability. But the calculation of that tax credit frees up income which the mortgage lender then uses to help qualify more people for home loans.

Yuba County Housing Authority has been implementing a countywide MCC program since 1990. Wheatland residents are eligible for this program, but to date have not taken advantage of the program and only one certificate remains. At the May 7, 1991 city council meeting, the city council approved submission of a 1991 MCC application.

FmHA 502 Loans. This Farmers Home Administration program provides direct loans to very low- and low-income individuals living in rural communities to buy, build, or repair a home. Non-subsidized funds are available to lower income households who do not qualify for interest credit assistance and to moderate-income households for subsequent rehabilitation loans.

The interest rate varies according to the cost of money to FmHA. Interest credit is applied to loans, which can reduce the effective interest rate to as low as 1%. Interest credit varies according to the size and income of the family and how much the family can afford to pay for housing costs. Monthly payments for mortgage, taxes and insurance cannot exceed 20% of the family's income (which would include current housing costs plus rehabilitation loan costs). The maximum loan payment period is 33 years.

Most local residents who are eligible for this type of financing are unaware of its existence, thus, the city must help publicize this resource. Preparing FmHA funding applications can be onerous to the average person. Therefore, city staff will direct eligible homeowners to local nonprofit organizations experienced in FmHA packaging procedures.

Self-Help Housing. Self-help housing is a cooperative mutual assistance process. As a program sponsor, Rural California Housing Corporation organizes groups of six to ten families to build one another's homes under the supervision of an RCHC construction foreman. Each family works at least 30 hours per week, earning a "sweat equity" in their home. The value of the family's labor equals at least 10% of the purchase price of the home and replaces the cash downpayment required in conventional mortgage lending, thereby eliminating a major obstacle to homeownership.

Self-help mortgages are kept low by a combination of the hard work of the participating families, building modest homes, and the land development and the construction management expertise of an experienced sponsor. In addition, FmHA home loan financing (Section 502), with interest credit, can reduce the effective borrowing rate to a as low as 1%, making this rural homeownership package very affordable.

The city council of Wheatland will encourage the development of self-help housing within the city, thus creating affordable homeownership opportunities for low and very low income families. The city council and planning commission will give priority in processing projects designed to serve low income and special needs groups, thereby reducing development time and costs by expediting processing. The program will be ongoing and will continue through 1996.

FmHA Section 515 -- Rural Rental Housing Loans. This program provides loans to public and private limited profit and non-profit sponsors for the construction or substantial rehabilitation of rental and cooperative housing for low and very low income families, elderly, or handicapped persons. The program is also available for congregate housing.

Interest rates vary between market rate and 1%, depending on the kind of sponsor and the projected income of the tenants. The term is 50 years. For non-profit and public entities, the loan amount can be up to 100% of the total development cost, plus 2% for initial operating costs. For other sponsors, the maximum loan amount is 95% of the development cost.

Tenants in Section 515 projects pay 30% of their adjusted incomes for rent and utilities. Tenants receiving Section 8 assistance payments or FmHA rental assistance may use those payments with Section 515 loans to bring rents within the tenant's ability to pay.

Two FmHA Section 515 funded developments currently exist within the city limits--Donner Trail Manor and Bear River

Apartments--providing 68 subsidized rental units for low and very low income households. FmHA application regulations preclude a competitive application for another rental housing development within the area. However, there is a yearly nonprofit set-aside that does not face the same competitive restraints as for-profit developments. Thus, a nonprofit organization, such as Rural California Housing Corporation could prepare and receive funding for additional FmHA funded rental units.

B. Housing Rehabilitation/Energy Conservation

Since new construction is currently affordable only to the more affluent population in Wheatland, it is especially important to preserve the existing affordable older housing stock for the current low-income occupants and to prevent substandard homes from slipping into dilapidated structures. Quantified objectives for housing rehabilitation programs are listed in Table 33.

A number of programs exist to aid the city in carrying out its goal of preserving existing neighborhoods and providing safe and sanitary housing for all residents. Several sources of funds are available for housing rehabilitation programs for low and very low income households in Wheatland--Community Development Block Grant (CDBG), CHRP-O, CHRP-R, FmHA 502 Loans, FmHA 504 Loans and Grants, and Weatherization Programs.

The city can play an important role in ensuring that Wheatland receives its fair share of these funds by applying directly for funds (i.e., CDBG, CHRP-O), by making sure developers and eligible city residents are aware of the existence of these programs; and by facilitating the development of low-income housing by local nonprofit housing organizations.

Community Development Block Grant (CDBG). The CDBG program is an important resource in the development and preservation of affordable housing. Traditionally, CDBG projects proposing to rehabilitate existing housing or develop new affordable housing opportunities have scored very well in the statewide competition.

In 1990 Wheatland applied for and received CDBG funding to rehabilitate 24 homes in a designated target area of the city. This program provides zero percent deferred payment loans to low and very low income homeowners. Due to the high percentage of low income renters in Wheatland, this program also consists of a rental property component. Zero percent deferred payment loans with a match requirement of 25% of the rehabilitation costs are allowed for owners of substandard property with low income tenants.

Since CDBG funds are extremely competitive and it is quite costly to prepare a CDBG application, it is difficult to plan for exactly which years the city will apply for funding. The city is serious about its commitment to rehabilitate existing structures, thereby maintaining the housing stock for its lower income residents. Thus, the city will consider applying for CDBG funds annually from 1993 to 1996 and will apply at least once during that time. In addition, the city will undertake a housing condition survey in 1993 or 1994 to update its existing 1990 housing condition survey which is incorporated into this housing element. In preparing a competitive CDBG application, it is important to re-evaluate the housing stock within the area targeted for housing rehabilitation.

Since the city does not have the resources to pay for these activities, the city will apply for funds through the state's CDBG Planning and Technical Assistance Grant to complete a housing condition survey and at least one CDBG application.

Action:	Apply for a CDBG Planning and Technical Assistance Grant. If this application is funded, the city will then conduct a housing condition survey and prepare a CDBG application. If the planning grant is not funded, the city will apply again during a subsequent funding cycle or seek other sources of funding to apply for CDBG funds.
By:	City Administrator; City Council
Time Frame:	Planning Grant--1993 Housing Condition Survey--1993-94 CDBG Application--1994-95

CHRP-O. Funds had been available from the State Department of Housing and Community Development for housing rehabilitation loans for lower-income owner-occupants through "California Housing Rehabilitation Program for Owner-Occupied Housing (CHRP-O)." Presently, however, all funds have been committed to other jurisdictions. Yet a portion of these funds may not be fully utilized by these jurisdictions, in which case, there may be additional funds available for new housing rehabilitation programs.

In this program, loans to qualifying households are maximum $25,000 for rehabilitation, $35,000 when a room addition to alleviate overcrowding is included. The State will provide for costs of administering the program.

The CHRP-O funds can augment existing rehabilitation funding programs. Like CDBG rehab loans, to qualify for a CHRP-O loan, the family must be a lower income household with an annual income of no more than 80% of the area's median income. The loan will

cover any work which is necessary to eliminate health and safety code violations, as well as general property improvements related to this work.

Unlike CDBG loan guidelines, the state requires stricter eligibility requirements for the CHRP-O program, especially in terms of the individuals credit repayment history. Additionally, CHRP-O loan terms are 3% simple interest, with the principal and interest deferred for five years. Borrowers may qualify for additional five year terms if they remain low-income and cannot repay.

Yuba City Housing Authority currently administers a countywide CHRP-O program. This program, however, is not eligible for homeowners within the incorporated cities, including Wheatland. If funds become available and if CDBG funds are insufficient to meet the housing rehabilitation needs, the city will apply for CHRP-O funding.

Action:	Apply for CHRP-O funding if funds become available and if CDBG funds are insufficient to meet the housing rehabilitation needs.
By:	City administrator; City Council
Time Frame:	July 1994

CHRP-R. The Department of Housing and Community Development administers this loan program, with funds authorized by Propositions 77, 84 and 107. The low-interest loans are made directly to owners of low-income rental housing to fund rehabilitation, acquisition in conjunction with rehabilitation, and seismic retrofit. Response to this program has been great, so funding for certain types of projects is limited.

As of this writing, funds were available for applicants requesting loans for the seismic retrofit of unreinforced masonry buildings and for rehabilitation and acquisition of projects requesting seismic retrofit. Funds reserved for non-seismic rehabilitation projects have, for the most part, been awarded, except for the 20 percent set-aside for projects located in rural areas. Rural applications are still being accepted for all categories of projects; and Wheatland is designated as a rural community.

An ideal candidate for this program would be the Wheatland Meadows. The rehabilitation needs are great, and the housing would retain its affordability for low and very low income households. The present owner of the Meadows applied for but did not receive CHRP-R funding. The property went into bankruptcy and Rural California Housing Corporation and Sac Pacific

Development, Inc. have submitted a offer to purchase (as a partnership) on this property, which the bankruptcy court has accepted. RCHC and Sac Pacific have submitted a joint application for funding through the CHRP-R program and are awaiting approval.

Action: Continue to provide assistance to experienced affordable housing developer in applying for funds for the Wheatland Meadows (if necessary) or other rental housing development within the city.

By: City administrator; Planning Commission/City Council

Time Frame: Ongoing

Supplemental Housing Rehabilitation and Conservation Programs. Other housing rehabilitation programs are available for city residents but are not under the control of the city government. The following is a list and explanation of these programs. The city will prepare a brochure listing these resources and make it available for any interested resident.

Action: Prepare brochure of housing rehabilitation and conservation programs available for city residents.

By: Planning Department

Time Frame: December 1992

FmHA 502 Loans. This Farmers Home Administration program provides direct loans to very low- and low-income individuals to buy, build, or repair a home. Non-subsidized funds are available to lower income households who do not qualify for interest credit assistance and to moderate-income households for subsequent rehabilitation loans.

The interest rate varies according to the cost of money to FmHA. Interest credit is applied to loans, which can reduce the effective interest rate to as low as 1%. Interest credit varies according to the size and income of the family and how much the family can afford to pay for housing costs. Monthly payments for mortgage, taxes and insurance cannot exceed 20% of the family's income (which would include current housing costs plus rehab loan costs). The maximum loan payment period is 33 years.

Most local residents who are eligible for this type of financing are unaware of its existence, thus, the city must help publicize this resource. Preparing FmHA funding applications can be onerous to the average person. Therefore, city staff will direct eligible homeowners to local nonprofit organizations experienced in FmHA packaging procedures, such as Rural California Housing Corporation.

FmHA 504 Loans and Grants. The Farmers Home Administration (FmHA) operates a housing repair program to correct basic health and safety hazards for very low-income families (less than 50% of median income). Section 504 provides direct one percent (1%) loans up to $15,000 to very low-income families for home repairs needed to correct basic health and safety hazards. The loans are amortized up to a period of 10 years, depending upon the principal amount. Grants up to $5,000 are available to elderly persons (over 62 years) for home improvement.

A Section 504 loan applicant must lack the income necessary to repay a Section 502 loan and must own and occupy a rural home which has conditions hazardous to his/her health and safety. Eligibility for a Section 504 grant is limited to persons at least 62 years of age who cannot afford to repay such assistance.

All Section 504 assistance is restricted to U.S. citizens and legal permanent U.S. residents. Funds may be used for such purposes as connecting the dwelling to water or sewer lines, providing toilet facilities, adding a room, repairing a roof, and other similar improvements. Loans and grants are not made to assist in the construction of new dwellings.

Within its current CDBG housing rehabilitation program, Wheatland has pledged to leverage funds from this program. The FmHA office that covers Wheatland, located in Yuba City, has committed to funding two Section 504 health and safety repair grant applications for elderly homeowners. However, this source of funding is not limited to the CDBG program, and may be tapped at any time. Since packaging these grants can be difficult for local residents to complete on their own, the city will act as an information provider for eligible homeowners. City staff will direct eligible homeowners to local nonprofit organizations experienced in FmHA packaging procedures, such as Rural California Housing Corporation.

Weatherization Program. Weatherization is an important component of rehabilitation as a means of cutting high housing costs through energy conservation. All units rehabilitated through the city's rehab program that do not

meet with current minimum utility company conservation standards should be weatherized to meet those standards. Weatherization funds and services are available to all low-income households at no cost through a non-profit weatherization provider, Rural Opportunities Resource Center, Inc. (RORC), located in Marysville.

Weatherization measures that are routinely installed whenever possible include attic insulation, weather-stripping, caulking of windows and doors, replacement of broken windows, low-flow shower heads, water heater blankets, and duct wraps. Average per unit costs for installing weatherization measures is $1,000.

Through funding from the State Department of Economic Opportunity, RORC has committed up to $10,000 (for at least 10 units) to the current CDBG housing rehabilitation program. Like the FmHA programs, weatherization funds and services are not limited to CDBG program participants and should be made available to the entire city. The city council of Wheatland will continue to leverage this funding source in its CDBG applications. In addition, city staff will direct eligible recipients to RORC for weatherization services.

C. Fair Housing Policy

It is the policy of the city of Wheatland:

To assure equal housing opportunities to all without regard to race, color, religion, sex, national origin, age, marital status, sexual orientation, ancestry, familial status, size of household or physical handicap;

To take positive steps to assure that all segments of the population are aware of their rights and responsibilities regarding fair housing;

To ensure that fair housing practices are applied to all housing offered within the city; and

To encourage the housing industry to comply with fair housing laws and practices.

Objectives

To achieve the City's Fair Housing Policy, the following objectives are established:

Document discriminatory practices;

Educate the public and the housing industry regarding their rights and responsibilities regarding fair housing;

Assist the victims of discrimination in seeking legal recourse;

Expand housing opportunities for groups having difficulty securing housing, especially minorities, large families, and the handicapped; and

Reduce the level of discrimination within the community.

Actions

To implement the City Fair Housing Policy Objectives, the City will undertake the following activities:

Display multi-lingual fair housing posters in prominent locations in City buildings and facilities.

Compile and make available to the public informational materials from the State Department of Fair Employment and Housing on compliance with fair housing laws and how to obtain assistance in filing fair housing complaints.

The city council/city administrator shall be responsible for maintaining and distributing this information to the public and for interpreting the applicable state and federal fair housing laws.

Compile a list of local and state organizations that provide counseling, enforcement, information, and/or other services related to compliance with fair housing laws.

Distribute to social service agencies within the city, informational materials about fair housing laws.

Develop working agreements with local fair housing organizations to expedite referrals to fair housing enforcement agencies, and ensure that complainants receive assistance in filing charges with enforcement agencies.

Distribute public service announcements regarding fair housing to local media. Include language on fair housing in all public notices regarding meetings for state and federal housing programs.

Meet annually with the building industry and provide the industry representatives with information from the State Department of Fair Employment and Housing.

Encourage local builders to include equal housing opportunity references in their advertising.

D. Action Plan

During the six year planning period, the city of Wheatland will continue to monitor the progress of the programs outlined in this housing element. The city planning director will prepare an annual status report of the city's progress in meeting its housing element goals. City staff will present these reports at an annual public hearing held before the city council and will also send a copy to the Department of Housing and Community Development.

Action:	Prepare annual housing element goals status report.
By:	Planning Director
Time Frame:	Ongoing (annually)

HOUSING ELEMENT PUBLIC PARTICIPATION CONTACTS

Organization/Agency	Contact Person	Address	Phone
Bear River Apartments	Jana Shannon	113 Hooper Street Wheatland, CA 95692	(916) 673-3916
Douglas Young & Associates	Doug Howard	P.O. Box 580 Woodland, CA 95695	(916) 666-3669
Donner Trail Manor	Joyce Boehm	P.O. Box 787 Wheatland, CA 95692	(916) 673-7211
California Rural Legal Assistance (CRLA)	Ilene Jacobs Julise Johnson	818 D Street Marysville, CA 95901	(916) 742-5191
Yuba County Housing Authority	Brenda O'Neal	938 14th Street Marysville, CA 95901	(916) 741-6385
Sunrise Orchard	Raj Sharma	4750 Bear Road Wheatland, CA 95692	(916) 633-2057
California Human Development Corporation	Balbir Sanghera	440 Palora Ave. Yuba City, CA 95991	(916) 673-4120
The Depot (Salvation Army)	Terry Peggy	410 J Street Marysville, CA 95901	(916) 742-0867
Yuba County Social Services	Brenda Redmond	935 14th Street Marysville, CA 95901	(916) 741-6286
Christian Assistance Network	Ruby Fawcett		(916)

HOUSING ELEMENT PUBLIC PARTICIPATION CONTACTS

Organization/Agency	Contact Person	Address	Phone
Twin City Rescue Mission		944 10th Street Marysville, CA 95901	(916) 743-8777
Mid-Valley Assistance	Sandy Madden	229 C Street Marysville, CA 95901	(916) 743-7313
Wheatland Police Department		413 2nd Street Wheatland, CA 95692	(916) 633-2821
Yuba County Adult Services	Mike Noda	935 14th Street Marysville, CA 95901	(916) 741-7665
Bi-County Volunteer Action Program	Angela Chapman Carol Schwartz	777 Ainsley Yuba City, CA 95992	(916) 674-2450
Feather River Social Security Office		595 Boys Street Yuba City, CA 95992	(916) 671-5031
CA State Dept of Rehab	Judy Oster	830 K Street Sacramento, CA 95814	(916) 322-3314
Placer Community Action Council	JoAnn Wojcik	11534 C Avenue Auburn, CA 95603	(916) 885-0432
Kids Country Careland		204 Main Street Wheatland, CA 95692	(916) 633-9369

HOUSING ELEMENT PUBLIC PARTICIPATION CONTACTS

Organization/Agency	*Contact Person*	*Address*	*Phone*
Children's Home Society	Diana	670 Joy Way, Suite C Yuba City, CA 95993	(916) 673-7503
	Dean Webb	1758 Oakley Lane Wheatland, CA	(916) 633-4072
Willdan Associates	Dale McKendrick	1624 Santa Clara, Suite 230 Roseville, CA 95661	(916) 784-6222
Morrison Realty	Mary Morrison	P.O. Box 555 Wheatland, CA 95692	(916) 633-2281
Employment Development Department	Randy Robbins	800 Capitol Mall, MIC 57 Sacramento, CA 95814	(916) 427-4954
County Ag Commission		938 14th Street Marysville, CA 95901	(916) 741-6484
Bank of America	Cissy McRunnels	619 E Street Marysville, CA 95901	(916) 674-4885
Sutter County Housing Authority	Sandra Brown-Abernathy	448 Garden Hwy Yuba City, CA 95992	(916) 671-0220

May 20, 1991 Wheatland Pioneer Hall

The City Council of the City of Wheatland met in Regular Session, Mayor Christopherson presiding.

The meeting was called to order at 7:30 PM. **Present:** Councilmembers Rod Daugherty, John Fleace, Juanita Neyens, Karen Troxel and Tom Christopherson.

Absent: None

Staff Present: Richard Milbrodt, Bob Joehnck, Earl Nelson, Kit Burton, Paul Marsh, Barbara Clingan.

Also Present: Ron Nichols, Addison Covert, Laura Kobler, Charlie Wilson, Nolan "Bud" Morrison, Pat Nordquist, David Cole.

Public Comments: None

Public Hearing: Almond Estates Subdivision Tentative Subdivision Map - A report was given by City Planner Nelson.

ALMOND ESTATES SUBDIVISION
MOTION FOR APPROVAL - 5/20/91

Acknowledging that the Planning Commission of the City of Wheatland has reviewed the proposed Almond Estates Subdivision tentative map application and has recommended approval, and further acknowledging that on May 20, 1991, the City Council held a public hearing at which all interested persons were given an opportunity to express their views, I move we make the following findings:

1. If the proposed Grasshopper slough restoration area remains at 4 acres as recommended by the Planning Commission and if the conditions of approval of the project are implemented, the project is consistent with all elements of the Wheatland General Plan and the Wheatland 1995 Specific Plan.

2. If the conditions of approval of the project are implemented including maintaining the Grasshopper Slough restoration/recreation are at four acres, and the project is thereby consistent with the Wheatland 1995 Specific Plan, no additionan EIR or negative declaration need be prepared pursuant to the provisions of Section 15182 (a) of the State CEQA Guidelines.

3. The project is designed to permit future passive or natural heating or cooling opportunities.

4. The site is physically suitable for the type and density of development.

5. The design of the subdivision or the proposed improvements is not likely to cause substantial environmental damage or to substantially and avoidably injure fish or wildlife or their habitat if the conditions of approval are implemented.

6. The design of the subdivision or type of improvements is not likely to cause serious public health problems.

7. The design of the subdivision or the type of improvements will not conflict with easements acquired by the public at large for access through or use of property in the proposed subdivision.

8. The subdivision site is not subject to contract restrictions pursuant to the California Land Conservation Act of 1965 (Williamson Act) for preservation of agricultural land.

9. The discharge of waste from the proposed subdivision into the existing Wheatland community sewer system will not result in violation of existing requirements prescribed by the California Regional Water Quality Control Board if conditions of approval of the project are

implemented.

In accordance with the above findings, I further move that we approve the tentative map for Almond Estates Subdivision subject to the staff-recommended conditions of approval dated May 15, 1991.

After discussion a motion was made by Councilmember Troxel, seconded by Councilmember Neyens and unanimously approved by Council to approve the Conditions of Approval for Almond Estates Subdivision as amended May 20, 1991. Amendments - Water - #13, Add "The water meters will be installed and paid for by the developer beginning May 20, 1991 if the water meter law is passed January 10, 1992. Should this state law not be passed this condition will not apply."
#15, Add "The City Engineer will give final approval of the street names."
Recreation #22, "Lots 64, 65, 66 and such additional square footage to equal one acre" in lieu of "Lots 52 through 58". Add the following at the end of the sentence in line six - "prior to the recording of the final map."

Public Hearing: Consideration of Amended Housing Element to the City General Plan - A report was given by City Administrator Milbrodt and Laura Kobler. On a motion by Councilmember Troxel and a second by Councilmember Daugherty, Council unanimously approved to have each member of the Council and Planning Commission put their comments in writing and send to Mr. Milbrodt by 5:00 PM June 1, 1991. Mr. Milbrodt will in turn work with staff to submit those comments, with the Housing Element, to the State of California.

Nicolleti Request for Review of Water Service Extension Policy - After discussion and on a motion by Councilmember Troxel and a second by Councilmember Neyens, Council unanimously denied Mr. Nicolleti's request to waive the fees to install sewer and water lines and directed that all costs be paid for the property owner. After further discussion and input by City Engineer Burton a motion was made by Councilmember Neyens to allow Mr. Nicolleti to have a 4 inch water line installed in lieu of a 6 inch line. Motion was seconded by Councilmember Troxel and unanimously approved by Council.

Consent Agenda: A) Minutes from 4/30/91 recessed meeting and 5/6/91 meeting; B) Report on High School Water System Status; C) Report on Haas Drainage Situation; D) Purchase Standby Power System for WWTP (not city general fund cost); E) League of Cities Report on Services available through JPA; F) PG & E Global Cities Project - Solid waste Report; G) California Main Street Information; H) Mogavero & Associates Correspondence re: Continued Services for Community Center; I) Governor's Office on Planning & Research re: Growth Management Council; J) League of Cities Notice of Mayors & Councilmembers Legislative Conference; K) Close our Bendure Loan Agreement for Housing Rehab Assistance.

On a motion by Councilmember Troxel and a second by Councilmember Christopherson, Council unanimously adopted Item A through K of the Consent Agenda.

City Attorney: L) Agreement with AMWest re: Bonding for drainage improvements for Settler's Village - This item was continued to June 3, 1991.

M) Revised Agreement with Willdan Associates for Building Inspection and Plan Checking Services - On a motion by Councilmember Troxel and a second by Councilmember Fleace, Council approved the "Agreement For Building Department Services" with Willdan and authorized the City Administrator to sign the agreement. Motion carried 4 to 1 with Councilmember Neyens opposed.

N) Ordinance Setting Revised Building Permit and Plan Checking Fee Schedule - On a motion by Councilmember Troxel and a second by Councilmember Christopherson, Council approved to adopt Ordinance #339 "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WHEATLAND ESTABLISHING BUILDING PERMIT FEES AND PLAN REVIEW FEES AMENDING THE WHEATLAND MUNICIPAL CODE, AND DECLARING THE URGENCY THEREOF" by the following roll call vote: Ayes - Councilmembers Daugherty, Troxel, Fleece, Christopherson; Noes - Councilmember Neyens.

O) Memorandum of Understanding with Wheatland School District re: Impact Fee Supplement - On a motion by Councilmember Troxel and a second by Councilmember Christopherson, Council unanimously agreed to introduce Ordinance #340 "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WHEATLAND REQUIRING THE PAYMENT OF FEES OR A SCHOOL FACILITIES MITIGATION PLAN FOR NEW DEVELOPMENT ON BEHALF OF THE WHEATLAND SCHOOL DISTRICT" and waive further reading.

City Administrator: P) SSR .65 Advance Planning for By-Pass - Continued to June 3, 1991

Q) Processing Adjustments to City Sphere of Influence and Preparing for future land use activity - On a motion by Councilmember Troxel and a second by Councilmember Fleece, Council unanimously approved to direct staff to enter into a Memorandum of Understanding with the Yuba County Board of Supervisors to study the Sphere of Influence boundary adjustments to include water, sewage, transportation, drainage and flood, detail work on the Southwest quadrant, including commercial and industrial.

Council Reports: R) Report on Public Works Sub-committee meeting - Report was given by Councilmember Troxel. Further reports will be forthcoming and will keep the Council informed.

S) Report on Meeting with YSDI and application filed for Rate Increase - Report was given by Councilmember Daugherty. It was agreed by Council to set a Public Hearing for June 3, 1991 at 7:45 PM.

Meeting was convened to Closed Litigation Session pursuant to Government Code Section 54956.6.

Regular Session was reconvened. Council authorized retention of special legal counsel for a personnel matter.

There being no further business before this Council Mayor Christopherson adjourned the meeting at 10:55 until June 3, 1991.

Approved: _____
Mayor

Attest: Barbara C. Clingan
City Clerk

WHEATLAND CITY COUNCIL MEETING
MAY 20, 1991

The following comments were received during the public hearing regarding the city's housing element update.

> One person noted that rental housing development is often difficult to produce because of a lack of available financing. And this lack of financing can be especially onerous for rental housing produced for low income households.

No other comments were received during the public hearing.